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October 27, 2005

VIA ELECTRONIC MAIL SERVICE AND FIRST-CLASS MAIL
The Honorable Charles L.A. Terreni
Chief Clerk
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

RE: Application of AmeriVon, LLC for a Certificate of Public Convenience and Necessity to Provide Resold Interexchange Telecommunications Services and for Approval of its Initial Tariff
Docket No. 2005-____-C, Our File No. 1086-10329

Dear Mr. Terreni:

Enclosed is the original and ten (10) copies of the **Application** filed on behalf of AmeriVon, LLC in the above-referenced matter.

Please acknowledge your receipt of this document by file-stamping the copy of this letter enclosed, and returning it in the enclosed envelope.

If you have any questions or need additional information, please do not hesitate to contact me.

Very truly yours,

John J. Pringle, Jr.

JJP/cr
cc: Office of Regulatory Staff Legal Department
Mr. Robert B. Segal
Jonathan S. Marashlian, Esquire
Enclosures

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

IN THE MATTER OF:

THE APPLICATION OF	)	
AMERIVON LLC	)	
FOR CERTIFICATE OF PUBLIC CONVENIENCE	)	
AND NECESSITY TO TRANSACT THE BUSINESS	)	DOCKET NO.
OF A RESELLER OF INTEREXCHANGE	)	
TELECOMMUNICATIONS SERVICES AND FOR	)	
APPROVAL OF ITS INITIAL TARIFF	)	

APPLICATION FOR AUTHORIZATION

AmeriVon LLC (hereinafter "Applicant" or "AmeriVon") respectfully requests that the Public Service Commission of South Carolina ("Commission") grant Applicant authority pursuant to S.C. Code Annotated Sections 58-9-280 and 58-9-520 and R. 103-834 of the Commission's Rules to provide intrastate telecommunications services to the public within South Carolina through the resale of similar services offered by other interexchange carriers ("IXCs") in the state. Applicant further requests, pursuant to R. 103-803, that the Commission waive application to it of R. 103-610. Applicant, for purposes of verification, and in evidence of its fitness to operate and the public need for its services, offers the following information in support of this Application:

Identification of the Applicant

1. Applicant maintains its headquarters at 800 Southwood Boulevard, Suite 212, Incline Village, NV 89451. Applicant is organized under the laws of the State of Nevada. A copy of the Company's LLC Operating Agreement is attached hereto as **Exhibit A**. Applicant has authority to transact business within the Sate of South Carolina as a foreign limited liability corporation. A copy of the qualifying document is set forth in **Exhibit B** hereto.

2. Correspondence regarding this Application should be directed to:

John J. Pringle. Jr.
Ellis, Lawhorne & Sims, P.A.
1501 Main Street, 5th Floor
Columbia, South Carolina 29201
(803) 343-1270 – Phone
(803) 799-8479 – Facsimile
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With a copy to Applicant's Regulatory Counsel:

Jonathan S. Marashlian
The Helein Law Group, P.C.
8180 Greensboro Drive, Suite 700
McLean, VA 22102
(703) 714-1313 - Phone
(703) 714-1330 – Facsimile
E-mail: jsm@thlglaw.com

Description of Authority Requested

3. Applicant seeks authority to operate as a reseller of inter- and intra-exchange intrastate telecommunications services to the public on a statewide basis. Applicant seeks authority to offer a full range of "1+" interexchange telecommunications services, as more specifically defined in its attached proposed tariff.

4. Applicant does not intend to provide 900 or 700 services.

5. Applicant owns no transmission facilities. Applicant will offer service to its subscribers using facilities of the communications networks facilities-based IXCs and the local exchange telephone companies ("LECs").

6. Applicant has no plans at this time to construct any telecommunications transmission facilities of its own and seeks no construction authority by means of this Application. Applicant will operate exclusively as a reseller.

7. Applicant will abide by all rules governing telecommunications resellers that the Commission has promulgated or may promulgate in the future, unless application of such rules is specifically waived by the Commission.

Proposed Services

8. Applicant provides telecommunications services to residential customers. Applicant combines high quality transmission services with very competitive rates, flexible end user billing, professional customer service and excellent reporting to create a unique blend that meets the individualized needs of such customers.

9. Applicant intends to engage in "switchless" resale. Applicant will arrange for the traffic of underlying subscribers to be routed directly over the networks of Applicant's network providers.

10. Applicant is committed to the use of ethical sales practices. All individuals selling and marketing Applicant's services must commit to market Applicant's services in a professional manner, and to fairly and accurately portray Applicant' services and the charges for them.

Description and Fitness of Applicant

11. Applicant's management team has extensive managerial, financial and technical experience with which to execute the business plan described herein. In support of Applicant's managerial and technical ability to provide the services for which authority is sought herein, Applicant submits a description of the background and experience of its current management team as **Exhibit C**. In support of Applicant's financial ability to provide the services contemplated herein, Applicant attaches it verified Financials as **Exhibit D**.

Public Interest Considerations

12. Applicant's entry into the South Carolina marketplace is in the public interest because Applicant intends to make a uniquely attractive blend of service quality, network management and reporting, and low rates available.

13. In addition to the direct benefits delivered to the public by its services, Applicant's entry into the South Carolina marketplace will benefit the public indirectly by increasing competition, resulting in more efficient pricing and improved service quality and expanded service options.

Initial Proposed Tariff

14. Applicant proposes to offer service pursuant to the rules, regulations, rates and other terms and conditions included in Applicant's initial proposed tariff which is attached hereto as **Exhibit E**. Billing, payment, credit, deposit and collection terms are set forth in Applicant's proposed tariff.

Waivers

15. Applicant requests a waiver of the Commission's requirement under 26 S.C. Regs. 103-610 to keep its books and records in the State of South Carolina. It would present a hardship upon the company to maintain a separate set of books in South Carolina since the company's headquarters are located in Nevada. The company will have a registered agent located within the state and understands that it will bear any costs associated with the Commission's inspection of its books and records.

Conclusion

16. A decision by the Commission to grant Applicant a Certificate of Public Convenience and Necessity is plainly in the public interest. Applicant will introduce important new

products and services at very competitive rates as well as enhance the competitiveness of the overall long distance market in South Carolina.

****

WHEREFORE, AMERIVON LLC, respectfully requests that this Commission grant it authority to transact the business of a reseller of interexchange telecommunications services within the State of South Carolina, that the Commission regulate it in a streamline fashion and that the Commission approve Applicant's initial tariff effective on the date of the Order granting authority.

Dated this 27th day of October, 2005.

Respectfully submitted,
AmeriVon LLC

By: _____

John J. Pringle, Jr.
Ellis, Lawhorne & Sims, P.A.
1501 Main Street, 5th Floor
Columbia, South Carolina 29201
(803) 343-1270 – Phone
(803) 799-8479 – Facsimile
E-mail: jpringle@ellislawhorne.com

Its: Local Counsel

EXHIBIT A

LLC Operating Agreement

AMERIVON LLC

Limited Liability Company Agreement

Effective as of August 1, 2005

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AMERIVON LLC

LIMITED LIABILITY COMPANY AGREEMENT

THIS LIMITED LIABILITY COMPANY AGREEMENT (this "***Agreement***") is made and entered into by and among **AMERIVON LLC**, a Nevada limited liability company (the "***Company***") and the other parties signatory to this Agreement.

The parties agree as follows:

1. **DEFINITIONS.**

1.1. **Certain Definitions.** The terms defined in this Section 1 shall, whenever such terms are used in this Agreement, have the following respective meanings unless their context expressly or by necessary implication otherwise requires:

"***Act***" means Chapter 86 of the Nevada Revised Statutes, as amended from time to time, or its successor statute.

"***Advances***" shall mean loans to the Company made by one or more Members in accordance with Section 8.2.

"***Affiliate***" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person and any partner of such Person which is a partnership.

"***Agreement***" means this Limited Liability Company Agreement.

"***Board of Managers***" or "***Board***" has the meaning assigned in Section 3.1.

"***Capital Account***" means the capital account determined and maintained for each Unitholder pursuant to Section 8.5.

"***Capital Call Notice***" has the meaning assigned in Section 8.2.

"***Capital Commitment***" means the total amount of money committed to be contributed to the Company by the holders of Class C Units as provided in Section 8.2, and as may be adjusted under Section 8.4 for certain purposes.

"***Capital Contribution***" means any contribution to the capital of the Company in cash or property by a Member whenever made.

"***Certificate of Formation***" means the articles of organization pursuant to which the Company was formed, as originally filed with the office of the Secretary of State of the State of Nevada on June 4, 2003, and as amended from time to time.

"***Code***" means the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

"***Company***" means "AmeriVon LLC."

"***Company Minimum Gain***" has the same meaning as the term "partnership minimum gain" in Regulation Sections 1.704-2(b)(2) and 1.704-2(d).

"***Control***" (including its correlative meanings, the terms "***controlling,***" "***controlled by,***" and "***under common control with***"), as used with respect to any corporation, partnership, limited liability company or other entity, means: (a) either (i) holding 50 percent or more of the outstanding voting stock or other ownership interests in the entity entitling the owner or holder to vote for the election of directors of the entity, or (ii) having the right to 50 percent or more of the profits of the entity or the right in the event of dissolution to 50 percent or more of the assets of the entity; (b) having the contractual power to designate 50 percent or more of the directors of a corporation or, in the case of an unincorporated entity, of individuals exercising similar functions; or (c) having the direct or indirect power to direct or cause the direction of the management and policies of the entity, whether through ownership interests, by contract or otherwise.

"***Deficit Capital Account***" means, with respect to any Unitholder, the deficit balance, if any, in such Unitholder's Capital Account as of the end of the taxable year, after giving effect to the following adjustments: (a) credit to such Capital Account any amount that such Unitholder is obligated to restore to the Company under Regulation Section 1.704-1((b)(2)(ii)(c), as well as any addition to such amount pursuant to the next to last sentences of Regulation Sections 1.704-2(g)(1) and (i)(5); and (b) debit to such Capital Account the items described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4)(5) and (6). This definition is intended to comply with the provisions of Regulation Sections 1.704-1(b)(2)(ii)(d) and 1.704-2, and shall be interpreted consistently with those provisions.

"***Distribution***" means a distribution made by the Company to a Unitholder, whether in cash, property or securities of the Company and whether by liquidating distribution or otherwise; provided that none of the following shall be a Distribution: (a) any redemption or repurchase by the Company or any Member of any Units, (b) any recapitalization or exchange of securities of the Company, (c) any subdivision (by Unit split or otherwise) or any combination (by reverse Unit split or otherwise) of any outstanding Units or (d) any fees or remuneration paid to any Unitholder in such Unitholder's capacity as an employee, officer, consultant or other provider of services to the Company.

"***Exchange Act***" means the Securities and Exchange Act of 1934, as amended from time to time.

"***Fair Market Value***" of each Unit means the fair value of such Unit as determined in good faith by the Board.

"***Family Group***" means a Member's spouse and descendants (whether natural or adopted), any trust which at the time of a Transfer and at all times thereafter is and remains solely for the benefit of such Member and/or such Member's spouse and/or descendants, and any family partnership or family limited liability company or similar estate planning entity, the partners, members or similar constituents of which consist solely of such Member, such spouse, such descendants or such trusts, partnerships, limited liability companies or other similar entities.

"***Financial Interest***" means a Financial Interest Holder's share of Net Profits, Net Losses, and other tax items of the Company and distributions of the Company's assets pursuant to this Agreement and the Act, but shall not include any right to participate in the management or affairs of the Company, including, the right to vote on, consent to or otherwise participate in any

decision of the Members.

"***Financial Interest Holder***" means the owner of a Financial Interest who is not a Member.

"***Holdings***" means AmeriVon Holdings LLC, a Nevada limited liability company.

"***Involuntary Transfer***" means with respect to the affected Unitholder any one of the following events: (a) the filing of a valid petition of voluntary or involuntary bankruptcy, or the insolvency of a Unitholder, unless such petition is dismissed with prejudice, or such insolvency is cured, within 30 days; (b) receipt by a Unitholder of notice of a public, private or judicial sale of all or any part of the Units owned by the Unitholder to satisfy a judgment against or other indebtedness of the Unitholder, unless such judgment is satisfied and such proposed sale is canceled or otherwise prevented by binding legal process prior to the earlier of (x) five days prior to the proposed date of such sale or (y) 30 days after the date of such notice; (c) attachment or garnishment of all or any part of the Units owned by a Unitholder or an assignment of all or any part of the Units owned by a Unitholder for the benefit of any creditor of the Unitholder; (d) the entry of a divorce decree, or the execution by a Unitholder of a property settlement agreement, or any other action in connection with a pending divorce proceeding, the effect of which is to grant rights to all or any part of the Units owned by the Unitholder to any person other than the Unitholder; (e) the entry of a judgment or final determination in any legal proceeding or process by which the Units of any Unitholder are required to be transferred, unless such judgment or determination is stayed, vacated or reversed prior to the earlier of (x) five days prior to the proposed date of such transfer or (y) 30 days after the date of such judgment or determination; or (f) any conviction by a Unitholder of any state or federal criminal law involving the commission of a misdemeanor against the Company or a felony.

"***Last Refusal Right***" means the right of last refusal set forth in Section 12.3.

"***Majority Vote***" means the affirmative vote of Members holding greater than fifty percent (50%) of the Voting Units entitled to vote with respect to a given matter.

"***Manager***" means a member of the Board of Managers, and "***Managers***" means the Board of Managers, collectively.

"***Member***" means each Person who executes a counterpart of this Agreement as a Member and each Person who hereafter is admitted to the Company as a Member. If a Person is a Member immediately prior to the acquisition by such Person of a Financial Interest, such Person shall have all the rights of a Member with respect to such Financial Interest.

"***Member Pro Rata Portion***" means, with respect to any Member, the quotient of (x) the sum of all Class A Units, Class B Units and Class C Units held by such Member divided, by (y) the sum of all Class A Units, Class B Units and Class C Units held by all Members (other than the Transferring Member) as a group.

"***Membership Interest***" means all of a Member's share in the Net Profits, Net Losses, and tax items of the Company and distributions of the Company's assets pursuant to this Agreement and the Act and all of a Member's rights to participate in the management or affairs of the Company, including the right to vote on, consent to or otherwise participate in any

decision of the Members in accordance with the terms of this Agreement and the Act.

"***Net Profits***" and "***Net Losses***" has the meaning ascribed to those terms in Section 9.7.

"***Nonrecourse Deductions***" has the meaning set forth in Regulation Section 1.704-2(b)(1). The amount of Nonrecourse Deductions for a Company fiscal year shall be determined pursuant to Regulation Section 1.704-2(c).

"***Nonrecourse Liability***" has the meaning set forth in Regulation Section 1.704-2(b)(3).

"***Percentage Interest***" means, as to each Unitholder at any point in time, a percentage equal to the aggregate number of Class A Units, Class B Units, and Class C Units held by such Unitholder divided by the aggregate number of Class A Units, Class B Units, and Class C Units of all Unitholders.

"***Permitted Transfer***" means a Transfer of Units (i) among a Member's Family Group, provided that, prior to the death of the Member desiring to make such Transfer (a "***Transferring Member***") each such transferee of Units shall have entered into proxies and other agreements satisfactory to the Company pursuant to which the Transferring Member shall have the sole right to vote such Units for all purposes, (ii) from any Member to one or more of its Affiliate(s), (iii) pursuant to and in compliance with Sections 12.3, 12.4, 12.5, 12.6, 12.7 and 12.12, or (iv) by the Company pursuant to Sections 7.4 or 7.5 or as otherwise permitted by the terms and conditions of this Agreement.

"***Permitted Transferee***" means a transferee or transferees of Units pursuant to a Permitted Transfer.

"***Person***" means any individual or any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association or any other organization that is not a natural person, and the heirs, executors, administrators, legal representatives, successors, and assigns of such Person, where the context so permits.

"***Regulations***" includes proposed, temporary and final Treasury regulations promulgated under the Code and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

"***Remaining Capital***" means with respect to each Class C Unitholder, the excess, if any, of (x) all Capital Contributions made by each such Class C Unitholder, over (y) all Distributions made to each such Class C Unitholder pursuant to Section 10.2.1.

"***Sale of the Company***" means a merger, consolidation or exchange of Units, a sale, lease, exchange or disposition of all or substantially all of the Company's assets, sale or other disposition of Units or any other similar business combination pursuant to which ownership of the Company's Units or assets is sold for cash, securities or other property of an acquiring entity or any of its affiliates, such that the holders of the Company's Voting Units immediately before such transaction beneficially own, directly or indirectly, 50% or less of the combined voting power of the capital units or stock of the acquiring or resulting entity.

"***Segal***" means Robert B. Segal, a resident of the State of New York.

"***Termination Event***" means an event described Section 13.1 of this Agreement.

"***Total Equity Value***" means in the case of the Company, the total proceeds which would be received by the Unitholders, or in the case of a Unitholder, the total proceeds which would be received by such Unitholder, if the assets of the Company as a going concern were sold in an orderly transaction designed to maximize such proceeds, and the proceeds of such sale were then distributed in accordance with Section 13.2 of this Agreement, as determined in good faith by the Company's Board with due regard to the value implied by any transaction giving rise to the need for a determination of Total Equity Value.

"***Transfer***" means any direct or indirect sale, exchange, transfer, assignment, gift, donation, bequest or other disposition of all or any portion of Units or any interest in Units. In the case of a Unitholder that is a corporation, partnership, limited liability company or other entity, the term "*Transfer*" shall also include any direct or indirect sale, exchange, transfer, assignment, gift, donation, bequest or other disposition (including a transfer by way of a foreclosure or execution of similar rights) of Control of such entity.

"***Unitholder***" means a Person who either (i) is a Member, or (ii) a Financial Interest Holder.

"***Unitholder Minimum Gain***" has the same meaning as the term "partner nonrecourse debt minimum gain" in Regulation Section 1.704-2(i).

"***Unitholder Nonrecourse Deductions***" has the same meaning as the term "partner nonrecourse deductions" in Regulation Sections 1.704-2(i)(1) and (2). The amount of Unitholder Nonrecourse Deductions for a Company fiscal year shall be determined in accordance with Regulation Section 1.704-2(i)(2).

"***Unit Award Agreement***" means a Unit Award Agreement entered into pursuant to the Unit Award Plan.

"***Unit Award Plan***" means the Unit Award Plan attached to the Agreement as **Exhibit A**.

"***Units***" means the Units issued to any Unitholder under this Agreement as reflected in the attached **Schedule of Unitholders**, as amended from time to time, which shall represent a Member's entire Membership Interest in the Company and a Financial Interest Holder's entire Financial Interest in the Company, as the case may be.

"***Unvested Class B Units***" of a Member means all of such Member's Class B Units which are not Vested Class B Units.

"***Vested Class B Units***" means, with respect to each holder of Class B Units, the portion of the Class B Units which become vested as set forth in the Unit Award Plan or any Units Award Agreement entered into pursuant to such Plan.

"***Voting Units***" has the meaning set forth in Section 7.2 below.

1.2. **Other Definitions.** In addition to the terms defined in Section 1.1, certain other terms are defined elsewhere in this Agreement and, whenever such terms are used in this Agreement, they shall have their respective defined meanings unless the context expressly or by necessary implication otherwise requires.

2. FORMATION OF COMPANY.

2.1. **Formation.** The Company was formed on June 4, 2003, when the Articles of Organization were executed and filed with the office of the Secretary of State in accordance with and pursuant to the Act.

2.2. **Name.** The name of the Company is "AmeriVon LLC."

2.3. **Principal Place of Business.** The principal place of business of the Company shall be 800 Southwood Blvd., Suite 212, Incline Village, Nevada 89451. The Company may locate its places of business at any other place or places as the Board of Managers may from time to time deem advisable.

2.4. **Registered Office and Registered Agent.** The address of the Company's initial registered office in the State of Nevada shall be 800 Southwood Blvd., Suite 212, Incline Village, Nevada 89451. The Company shall continuously maintain a registered agent in the State of Nevada. The registered office and registered agent may be changed by the Board of Managers from time to time in accordance with the Act.

2.5. **Term.** The term of the Company shall be perpetual unless the Company is earlier dissolved in accordance with either Section 13 or the Act.

2.6. **Business of Company.** The business of the Company shall be:

(a) To carry on any lawful business or activity which may be conducted by a limited liability company organized under the Act; and

(b) To exercise all other powers necessary to or reasonably connected with the Company's business which may be legally exercised by limited liability companies under the Act.

2.7. **Names and Addresses of Members.** The names and addresses of the Members are set forth on the attached **Schedule of Unitholders**, as amended or restated from time to time.

2.8. **Title to Property.** All real and personal property owned by the Company shall be owned by the Company as an entity and no Member shall have any ownership interest in such property in his or her individual name or right, and each Member's interest in the Company shall be personal property for all purposes. The Company shall hold all of its property in the name of the Company and not in the name of any Member.

2.9. **Members' Intent.** The Members intend that the Company be treated as a "partnership" for United States federal and state income tax purposes. The Members also intend that the Company not be operated or treated as a "partnership" for purposes of Section 303 of the U.S. Bankruptcy Code, as amended or supplemented from time to time and any successor statute.

No Member shall take any action inconsistent with the intent of the parties as set forth in this Section 2.9.

3. MANAGEMENT OF THE COMPANY.

3.1. **Board of Managers.** The business and affairs of the Company shall be managed by or under the direction of a Board of Managers of the Company (the "***Board of Managers***" or the "***Board***"). A Manager need not be a Member or a resident of the state of Nevada.

3.2. **Board of Managers Powers.**

3.2.1. In General. Except as otherwise provided in this Agreement or in provisions of the Act not inconsistent with this Agreement, all powers of the Company shall be exercised exclusively by or under the authority of the Board of Managers. The Board of Managers shall have all powers to control and manage the business and affairs of the Company and all the rights and powers which may be possessed by the managers of a limited liability company with managers pursuant to the Act. The Board of Managers shall also have such rights and powers as are otherwise conferred by law or are necessary, advisable, or convenient to the discharge of its duties under this Agreement and to the management of the business and affairs of the Company. Decisions of the Board of Managers within its scope of authority shall be binding upon the Company.

3.2.2. Enumeration of Specific Powers. Without limiting the generality of the foregoing, the Board of Managers shall have the following rights and powers:

(a) Conduct the Company's business, carry on its operations and have and exercise the powers granted by the Act in any state, territory, district or possession of the United States, or in any foreign country which may be necessary or convenient to effect any or all of the purposes for which it is organized;

(b) Acquire by purchase, lease, or otherwise any real or personal property which may be necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(c) Operate, maintain, finance, improve, construct, own, grant options with respect to, sell, convey, assign, mortgage, and lease any real estate and any personal property necessary, convenient, or incidental to the accomplishment of the purposes of the Company;

(d) Execute any and all agreements, contracts, documents, certifications, and instruments necessary or convenient in connection with the management, maintenance, and operation of the Company's business, or in connection with managing the affairs of the Company, including executing amendments to this Agreement and the Company's Certificate of Formation in accordance with the terms of this Agreement, both as Managers of the Company and, if required, as attorney-in-fact for the Members pursuant to the power of attorney granted by the Members to the Managers;

(e) Perform all acts necessary to manage and operate the business of the Company, including engaging such business consultants, managers and professional advisers as the Board of Managers deems advisable to manage the Company;

(f) Appoint officers for the Company (who need not be Members), establish policies and guidelines for employees, and adopt management incentive plans and employee benefit plans;

(g) Execute, deliver, and perform on behalf of and in the name of the Company any and all agreements and documents deemed necessary or desirable by the Board of Managers to carry out the business of the Company, including any lease, deed, easement, bill of sale, mortgage, trust deed, loan agreements, guaranties, security agreement, contract of sale, or other document conveying, leasing, or granting a security interest in the interest of the Company in any of its assets, or any part thereof;

(h) Borrow money and issue evidences of indebtedness necessary, convenient, or incidental to the accomplishment of the purposes of the Company, and secure the same by mortgage, pledge, or other lien on any Company assets;

(i) Institute, prosecute, defend, settle, compromise, and dismiss lawsuits or other judicial or administrative proceedings brought on or in behalf of, or against, the Company, the Members or any member of the Board of Managers in connection with activities arising out of, connected with, or incidental to this Agreement, and to engage counsel or others in connection therewith; and

(j) Admit Persons as new Members to the Company and issue Units to such newly-admitted Members as is provided in Section 12 of this Agreement.

3.3. **Designation of Managers.**

3.3.1. Number and Qualification. The authorized number of Managers of the Company shall be three (3) individuals. The following persons shall be elected to the initial Board: Tod Turley, John Tyson and Robert Segal. The number of Managers may at any time be increased or decreased (provided that the number of Managers may not be decreased without the approval of Segal during such time as Segal shall have the right to elect a Manager to the Board pursuant to Section 3.3.2) by Majority Vote of the Members at any annual, special or regular meeting or written consent in lieu of such meeting.

3.3.2. Election and Term of Office. At each annual meeting of the Members, Managers shall be elected by Majority Vote of the Members to hold office until the next annual meeting of the Members. Notwithstanding the foregoing, however, (i) Holdings shall have the right to elect two (2) Managers to the Board of Managers and (ii) for so long as Segal owns not less than five percent (5%) of the outstanding Units, Segal shall have the right to elect one (1) Manager to the Board of Managers. Each Member agrees to vote his, her, or its Units and any other voting securities of the Company over which such Member has voting control and shall take all other necessary or desirable actions, within his, her or its control (including, without limitation, attendance at meetings in person or by proxy for purposes of

obtaining a quorum and execution of written consents in lieu of meetings), and the Company shall take all necessary and desirable actions within its control to effectuate the provisions of this Section 3.3.2. In the event that the Company has more than three (3) Managers, such Managers (above the three (3) elected in accordance with the foregoing provisions) shall be elected by Majority Vote of the Members. The Company shall not have more than seven (7) Managers unless approved by all of the Members.

3.3.3. Vacancies. Vacancies on the Board of Managers by reason of death, resignation or increase in the number of Managers shall be filled by Majority Vote of the Members who elected such Manager(s) in accordance with Section 3.3.2 above and such appointee shall hold office until his or her successor is elected at the next annual meeting of Members or at any prior special meeting called for that purpose. Each Manager, including a Manager elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified.

3.3.4. Resignation and Removal. Any Manager may resign upon at least thirty (30) days' notice to the Members and the other Managers (unless, in either case, notice is waived by them). A Manager may be removed at any time for any reason by the Majority Vote of the Member(s) entitled to appoint such Manager. Any Manager other than Dan Brettler who is also an employee of the Company shall be removed automatically upon the termination of such Person's employment with the Company

3.4. **Board Action; Quorum Requirement.** Except as expressly provided otherwise in this Agreement, in any action taken by the Managers at a duly-called meeting of the Board of Managers at which a quorum is present, the act of a majority of the Managers present shall constitute action taken by the Board of Managers. A majority of the Managers constitutes a quorum of the Board of Managers for the transaction of business.

3.5. **Meetings of the Board of Managers.**

3.5.1. Regular Meetings. The Board of Managers shall hold regular meetings not less frequently than four times every fiscal year and shall establish meeting times, dates and places and adopt rules or procedures for such meetings consistent with the terms of this Agreement. A regular annual meeting of the Board of Managers shall be held without notice immediately after the adjournment of the annual meeting of the Members. At such meetings, the Board of Managers shall transact such business as may properly be brought before the meetings, whether or not notice of such meeting referenced the action taken at such meeting. The Chairman of the Board (or, in the absence of the Chairman of the Board, a chairman of the meeting selected by the Managers from among their members) shall preside over and control the order of business of the meeting.

3.5.2. Special Meetings. Special meetings of the Board of Managers for any purpose or purposes may be called at any time by the Chairman of the Board, the Chief Executive Officer or any other Manager.

3.5.3. Notice of Special Meetings. Unless Managers waive notice of, or consent to, a special meeting, notice stating the date, hour and place of any special meeting of the Board of Managers shall be given at least forty-eight (48) hours and not more than twenty

(20) days prior to the meeting. Notice of any special meeting of the Board of Managers shall state the purpose of such meeting. Notice of special meetings of the Managers shall be given to each Manager by at least one of the following methods:

(i) Oral notice is effective when communicated;

(ii) Written notice is effective at the earliest of (i) when received, (ii) three (3) days after its deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed to the address shown in the Company's records, or (iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested and the receipt is signed by or on behalf of the addressee; or

(iii) Each party to this Agreement hereby agrees, by such party's signature below or such party's signature of any agreement entered into pursuant to Section 12.12, and each Unitholder not otherwise a party to this Agreement agrees that notice may be given to such party by facsimile or electronic mail. If notice is sent by facsimile or electronic mail, notice shall be deemed to be effective when sent, if sent to the facsimile number or electronic mail address maintained in the corporate records.

3.5.4. Waiver of Notice. Any Manager may waive notice of any meeting in writing before, at, or after such meeting. A Manager's attendance at or participation in a meeting waives any required notice of the meeting unless the Manager at the beginning of the meeting, or promptly upon the Manager's arrival, objects to holding the meeting, or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.5.5. Telecommunications. Meetings of the Board of Managers may be held by means of conference telephone or similar communications equipment by which all persons participating may simultaneously hear each other during the meeting. A Manager participating in a meeting by this means is deemed to be present in person at the meeting.

3.5.6. Board of Managers' Action Without a Meeting. Any action required or permitted to be taken by the Board of Managers at a meeting may be taken without a meeting if (i) the action is authorized by written consent resolution signed by not less than the minimum number of Managers which would be necessary to authorize or take the action at a meeting at which all Managers were present and voted and (ii) the consents are filed with the records of the Company. Action taken by consent is effective when the last Manager signs the consent, unless the consent specifies a different effective date. A signed consent has the effect of a meeting vote and may be so described in any document.

3.5.7. Adjournment. A majority of the Managers present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

3.5.8. Place of Meeting. Meetings of the Board of Managers shall be at the Company's principal office or any other place designated by the Board of Managers.

3.6. **Limitation of Liability**. To the maximum extent permitted under the Act, no Person shall have personal liability to the Company or the Members for monetary damages for conduct as a Manager, except to the extent that the Act, as the same may hereafter be

amended (but, in the case of any such amendment, only to the extent that such amendment does not adversely affect any right or protection of such person for actions or omissions prior to such amendment), prohibits elimination or limitation of such Person's liability.

3.7. **Delegation of Authority**. The Board of Managers shall have the power to delegate authority to such committees of the Board of Managers, officers, employees, agents and representatives of the Company as it may from time to time deem appropriate. Any delegation of authority to take any action must be approved in the same manner as would be required for the Board of Managers to approve such action directly.

3.8. **Expenses; Compensation**. The Company shall pay the reasonable out-of-pocket travel expenses incurred by each Manager in connection with attending the meetings of the Board and any committees of the Board. No Manager shall be entitled to any compensation for serving on the Board or any committee of the Board or for attendance at any meeting of the Board or any committee of the Board unless approved by Majority Vote of the Members; provided, however, that any Manager may provide services to the Company in any other capacity and receive compensation for such service as an employee or consultant.

3.9. **Reliance by Third Parties**. Any Person dealing with the Company, the Managers or any Member may rely (without duty of further inquiry) upon a certificate signed by any Manager as to (i) the identity and authority of a Manager or Member to act on behalf of the Company, (ii) any factual matters relevant to the affairs of the Company, (iii) the persons who are authorized to execute and deliver any document on behalf of the company, or (iv) any action taken or omitted by the company, the Managers or any Member.

4. RIGHTS AND OBLIGATIONS OF MEMBERS.

4.1. **Limitation of Liability.** Each Member's liability shall be limited as set forth in this Agreement and the Act.

4.2. **Liability for Company Obligations.** Members shall not be personally liable for any debts, obligations or liabilities of the Company, except as otherwise provided by law.

4.3. **Inspection of Records.** Upon reasonable request, each Member shall have the right to inspect and copy at such Member's expense, during ordinary business hours, the records required to be maintained by the Company pursuant to Section 11.5.

4.4. **No Priority and Return of Capital.** Except as expressly provided in this Agreement, no Unitholder shall have priority over any other Unitholder, either as to the return of Capital Contributions or as to Net Profits, Net Losses or distributions; provided, that this Section 4.4 shall not apply to loans made by a Unitholder to the Company.

4.5. **Withdrawal of Member.** Except as expressly permitted in this Agreement, no Member shall voluntarily resign or otherwise withdraw as a Member. Unless

otherwise approved by the Board of Managers, a Member who resigns or withdraws shall be entitled to receive only those Distributions to which such Person would have been entitled had such Person remained a Member (and only-at such times as such Distribution would have been made had such Person remained a Member). Except as otherwise expressly provided in this Agreement, a resigning or withdrawing Member shall become a Financial Interest Holder. The remedy for breach of this Section 4.5 shall be monetary damages (and not specific performance), which may be offset by the Company against Distributions to which such Person would otherwise be entitled.

5. MEETINGS OF MEMBERS.

5.1. **Annual Meeting.** The annual meeting of the Members shall be held at such time as shall be determined by the Board of Managers, for the purpose of the transaction of such business as may come before the meeting.

5.2. **Special Meetings.** Special meetings of the Members, for any purpose or purposes, may be called by the Chief Executive Officer of the Company, the Chairman of the Board or a majority of the Managers at any time and shall be called by the Chief Executive Officer of the Company or the Chairman of the Board if Members holding at least twenty percent (20%) of the Voting Units make a written demand for a special meeting stating one or more reasonable purposes for such meeting.

5.3. **Place of Meetings.** The Board may designate any place, either within or outside the state of Nevada as the place of meeting for any meeting of the Members. If no designation is made, or if a special meeting is called, the place of meeting shall be the principal office of the Company.

5.4. **Notice of Meetings.**

5.4.1. In General. Written notice stating the time and place of any annual or special meeting of Members shall be given at least ten (10) days and not more than sixty (60) days prior to the meeting. If a purpose of an annual or special Members' meeting is to consider action on an amendment to this Agreement, a planned merger or exchange of Units, a proposed sale, lease, or other disposition of all or substantially all of the property of the Company other than in the regular course of business, or the dissolution of the Company, the Company shall notify all Members, whether or not entitled to vote, at least twenty (20) days and not more than sixty (60) days prior to the meeting, and the notice must describe the proposed action with reasonable clarity and contain or be accompanied by a copy of the proposed amendment, the plan of merger or exchange, or the agreement of sale or lease, as applicable. The notice of special meetings shall include the purpose of the meeting. No business shall be transacted at a special meeting except as stated in such notice, unless consented to by all Members having the right to vote with respect to such other business, either in person or by proxy, and following such meeting, notice of any action taken at such special meeting that was not specified in the notice of special meeting is given to any absent Member as soon as reasonably practicable. Notice of all meetings shall be given to the holder of any proxy filed with the Company in the same manner as if such proxy holder were a Member.

5.4.2. Manner of Giving Notice. Notice of meetings of the Members shall be given to each Member by at least one of the following methods:

(a) Oral notice is effective when communicated;

(b) Written notice is effective at the earliest of (i) when received, (ii) upon deposit in the United States mail, as evidenced by the postmark, if mailed postpaid and correctly addressed to the address shown in the Company's records, or (iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested and the receipt is signed by or on behalf of the addressee; or

(c) Notice may be given by facsimile or electronic mail to any party who gives written notice to the Company of willingness to receive notice by this means. If notice is sent by facsimile or electronic mail, notice shall be deemed to be effective when sent, if sent to the facsimile number or electronic mail address maintained in the corporate records.

5.5. **Record Date.** For the purpose of determining Members entitled to notice of or to vote at any meeting of Members or any adjournment of such meeting, the date on which notice of the meeting is mailed shall be the record date for such determination of Members. When a determination of Members entitled to vote at a meeting of Members has been made as provided in this Section 5.5, such determination shall apply to any adjournment of such meeting.

5.6. **Quorum.** Members holding more than fifty percent (50%) of the then outstanding Voting Units represented in person or by proxy shall constitute a quorum at any meeting of Members. In the absence of a quorum at any such meeting, a majority of the Voting Units so represented may adjourn the meeting from time to time for a period not to exceed sixty (60) days without further notice. However, if the adjournment is for more than sixty (60) days, or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each Member of record entitled to vote at the meeting. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The Members present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal during such meeting of a Member whose absence would cause less than a quorum.

5.7. **Manner of Acting.** If a quorum is present, the affirmative vote of Members holding more than fifty percent (50%) of the Voting Units represented at the meeting in person or by proxy shall be the act of the Members, unless the vote of a greater or lesser percentage is required by this Agreement or the Act.

5.8. **Proxies.** At all meetings of Members, a Member may vote in person or by proxy executed in writing by the Member. Such proxy shall be filed with the Chief Executive Officer before or at the time of the meeting. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

5.9. **Waiver of Notice.** Any Member may waive notice of any meeting in writing before, at, or after such meeting. A Member's attendance at or participation in a meeting waives any required notice of the meeting unless the Member at the beginning of the meeting, or promptly upon the Member's arrival, objects to holding the meeting, or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

5.10. **Telecommunications.** Meetings of the Members may be held by means of conference telephone or similar communications equipment by which all persons participating may simultaneously hear each other during the meeting. A Member participating in a meeting by this means is deemed to be present in person at the meeting.

5.11. **Action by Members Without a Meeting.**

5.11.1. Written Consent Action. Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, executed by Members holding in the aggregate not less than the minimum number of Voting Units required to approve such action at a meeting and delivered to the Chief Executive Officer for inclusion in the Company's minutes. The record date for determining Members entitled to take action without a meeting shall be the date on which the first Member signs a consent.

5.11.2. Effectiveness. A written consent is not effective to take the action specified in the consent unless, within sixty (60) days of the earliest consent delivered to the Company, written consents signed by a sufficient number of Members to take action are delivered to the Company. Unless the written consent specifies a later effective date, action taken by written consent under this Section 5.11 is effective when (i) consents signed by all Members have been delivered to the Company or (ii) when consents signed by Members sufficient to authorize taking the action have been delivered to the Company, and two (2) days have lapsed after the Company has delivered written notice to all of the Members of the Company, requesting such action by written consent, which notice must contain or be accompanied by the same material (if any) that would have been required to be sent to Members in a notice of meeting at which the proposed action would have been submitted for Member action.

6. **OFFICERS.**

6.1. **Officer Designations.** The officers of the Company shall be a Chairman of the Board, a President and Chief Executive Officer, a Secretary, and a Chief Financial Officer. The Company may also have, at the discretion of the Board of Managers, one or more Vice Presidents, one or more assistant secretaries and such other officers as may be appointed.

6.2. **Election and Term of Office.** The officers shall be appointed by the Board of Managers. The officers shall hold office until they resign, are removed or otherwise disqualified, are unable to serve, or until their successors are elected and qualified.

6.3. **Removal and Resignation.** Any officer may be removed by the Board of Managers, with or without cause. Such removal shall be without prejudice to any contract rights

of the person removed. Subject to the terms of any employment agreement with the Company, any officer may resign at any time by giving written or verbal notice to the Company.

6.4. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled by the Board of Managers.

6.5. **Chairman of the Board.** The Chairman of the Board, if such an officer is elected, shall, if present, preside at all meetings of the Board of Managers and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board of Managers or as may be prescribed by the Agreement. If there is no President, nor a stand alone Chief Executive Officer, then the Chairman shall also be the Chief Executive Officer of the Company and shall have such powers as are set forth in Section 6.6 of this Agreement.

6.6. **President.** The President, if such an officer is elected, shall report to the Chief Executive Officer of the Company, if such a position is filled by a person other than the President or, if not filled by a person other than the President, shall be the Chief Executive Officer. The President shall have the general powers and duties of management usually vested in the office of president of a company and shall have such other powers and duties as may be prescribed by the Board of Managers, the Chief Executive Officer, or this Agreement.

6.7. **Chief Executive Officer.** The chief executive officer of the Company shall be subject to the control of the Board of Managers, and shall have general supervision, direction and control of the business and affairs of the Company (as such, the "***Chief Executive Officer***"). The Chief Executive Officer may preside at the meetings of the Members and in the absence or nonexistence of a Chairman of the Board shall preside at meetings of the Board.

6.8. **Vice Presidents.** In the absence or disability of the President, the Vice President, if any, or Vice President and Chief Operating Officer if there shall be more than one Vice President, shall perform all the duties of the President, and when so acting shall have all the powers of the President. The Vice President(s) shall have such other powers and perform such other duties as from time to time may be prescribed for them by the Board of Managers or this Agreement.

6.9. **Secretary.** The Secretary shall keep, or cause to be kept, a minute book at the registered office of the Company or such other place as the Members may order, containing a record of all meetings of Members, indicating the time and place, whether annual or special and, if special, how authorized, the names of those present, and a summary of all the proceedings at such meetings. The record shall include a copy of the notice given. The Secretary shall be responsible for giving notice of all the meetings of Members required to be given by this Agreement or by law. The Secretary shall have such other powers and perform such other duties as may be prescribed by the Board of Managers or this Agreement.

6.10. **Chief Financial Officer.** The Chief Financial Officer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Company, including accounts of its liabilities, assets, receipts,

disbursements, losses and capital. The Chief Financial Officer shall deposit all Company funds and other valuables to the credit of the Company with such depositories as may be designated by the Board of Managers. The Chief Financial Officer shall, in accordance with the terms and provisions of this Agreement, disburse the funds of the Company as may be authorized by the Board of Managers, shall render to the Chief Executive Officer, President, and Members, whenever they request it, an account of all transactions as Chief Financial Officer and of the financial condition of the Company. The Chief Financial Officer shall have such other powers and perform such other duties as may be prescribed by the Board of Managers or this Agreement.

6.11. **Salaries**. The salaries of all officers and employees of the Company shall be fixed by the Board of Managers and may be changed from time to time by the Board.

6.12. **Initial Officer Appointment**. The following individuals are appointed to the offices set forth opposite their names:

Chairman	Tod M. Turley
President and Chief Executive Officer:	Robert B. Segal
Chief Financial Officer, and Secretary:	John E. Tyson
Vice President	David Keysor

6.13. **Non-Competition.**

6.13.1. In General. Except to the extent otherwise provided in any separate covenant not to compete entered into with a holder of Class B Units, to the extent any such separate covenant is more restrictive than the following, each Unitholder hereby agrees that, while such Unitholder and its Affiliates hold more than two percent (2%) of the outstanding Units, and for one (1) year thereafter (collectively the "***Non-compete Period***"), neither such Unitholder nor such Unitholder's Affiliates shall, without the prior express written consent of the Company, directly or indirectly (whether for compensation or otherwise) own or hold any interest in, manage, operate, control, participate in, consult with, render services for, or in any manner participate in any business in which the Company is then doing business, unless such Unitholder provides written notice to the Company describing in reasonable detail the opportunity to participate in or otherwise support such business and the Company declines such participation or support (together, a "***Competing Business***"). A Competing Business shall include all business relating to long distance dialers, focused marketing to ethnic groups of telecommunications products and services such as long distance, wireless, internet access and financial services (together, a "Business Plan Business").

6.13.2. Limitation. Notwithstanding anything to the contrary set forth in this Agreement or otherwise, in no event shall (a) any Unitholder be prohibited from owning less than three percent (3%) of the outstanding stock of any publicly-traded corporation engaged in a Competing Business and (b) any of the following businesses, as presently conducted (determined without regard to geographic coverage or volume), be a Competing Business for purposes of this Section 6.13.2 or otherwise: (I) the business and affairs of Holdings, an Affiliate of Holdings other than a Business Plan Business, and (II) the following businesses in which Segal is engaged Segal Holdings Inc. and SEGAL & Co. Incorporated.

6.14. **Business Opportunity**. Each of the Unitholders acknowledges and agrees that such Unitholder and its Affiliates are obligated to disclose promptly to the Company all business opportunities and/or potential business opportunities that relate in any way to a Competing Business of which such Unitholder or its Affiliates become aware during the Non-compete Period so that the Company may pursue such opportunities or potential opportunities at its discretion. No Unitholder or its Affiliates shall take any action to exploit any such opportunities or potential opportunity of which such Unitholder or its Affiliates become aware during the Non-compete Period for his, her, or its own benefit or for the benefit of any Person other than the Company. Such disclosure shall be in writing and shall be delivered to the Company's Board of Managers.

6.15. **Confidentiality.** Each of the Unitholders acknowledges and agrees that the information, observations and data obtained by such Unitholder or its Affiliates while such Unitholder is a Member or a Financial Interest Holder (including any information, observations and data obtained prior to the date of this Agreement concerning the business or affairs of the Company (collectively, "***Confidential Information***") is the property of the Company. Each Unitholder shall treat and hold as confidential all of the Confidential Information and refrain from using any Confidential Information, unless and to the extent that the aforementioned matters: (a) become generally known to and available for use by the public other than as a result of such Unitholders's or such Unitholder's Affiliates' acts or omissions; or (b) are required to be disclosed by judicial process or law. Such Unitholder and its affiliates shall promptly deliver to the Company at any time the Company may request, all lists, memoranda, notes, plans, records, reports, computer tapes, printouts and software and other documents and data (and copies of such items) relating to the Confidential Information or the business of the Company which such Unitholder or its Affiliates may then possess or have under his, her, or its control.

7. UNITS.

7.1. **Authorized Units**. The total number of Units which this Company is currently authorized to issue is 100,000,000 Units, of which 50,000,000 shall be designated Class A Units ("***Class A Units***"), 10,000,000 shall be designated Class B Units ("***Class B Units***"), 40,000,000 shall be designated Class C Units ("***Class C Units***") and the remainder shall be undesignated and subject to designation and issuance pursuant to Section 7.3. The rights of all Units of the Company are subject to the rights of any future classes or series of Units of the Company which may from time to time be authorized and issued in accordance with this Agreement and applicable law.

7.2. **Description of Units.** Except as otherwise provided in this Agreement or as otherwise required by applicable law, all Class A Units, Class B Units, and Class C Units shall be identical in all respects and shall entitle the holders of such Units to the same rights and privileges, subject to the same qualifications, limitations and restrictions, except that (i) in the case of Class B Units (a) Members holding Class B Units shall not be entitled to vote on any matter except to the extent otherwise required under the Act, and (b) Class B Units may be subject to a vesting schedule in accordance with the Unit Award Plan or a Unit Award Agreement and (ii) in the case of Class C Units, the Class C Unitholders have made a Capital Commitment. Except as otherwise provided in this Agreement or as otherwise required by applicable law, Members holding Class A Units and/or Class C Units (collectively, the "***Voting Units***") shall be entitled to one vote per Class A or Class C Unit on all matters to be voted on by the Members. The Class A, Class B, and Class C Units shall share in Net Profits and Net Loss and certain Distributions of the Company, as set forth below in Sections 9, 10, and 13.

7.3. **Additional Units and Additional Capital Contributions**. The Board is authorized to obtain additional capital for the Company from time to time by selling additional Units or other securities of the Company, upon such terms and conditions, with such rights and privileges (including, without limitation, rights and preferences that may be senior to outstanding Units) and for such prices and, in the case of equity securities, such Capital Contributions as the Board may so establish and to admit such Unitholders as Members, in each case in the manner set forth in this Agreement and is further authorized to amend this Agreement pursuant to Section 15.2 to reflect such the creation, designation and issuance of such Units and securities.

NOTICE: THE INITIAL MEMBERS (AND ANY PERSON WHO MAY ACQUIRE UNITS AND BE ADMITTED AS AN ADDITIONAL MEMBER OF THE COMPANY) ACKNOWLEDGE THAT THE CREATION OF ADDITIONAL UNITS AND ADMISSION OF ADDITIONAL MEMBERS AS CONTEMPLATED BY THIS SECTION 7.3 MAY RESULT IN THE DILUTION AND POSSIBLE SUBORDINATION OF THEIR EXISTING UNITS (INCLUDING VOTING INTERESTS AND/OR FINANCIAL INTERESTS) IN THE COMPANY.

7.4. **Initial Issuance of Units**. Each Member shall be issued those certain Units set forth opposite such Members' names on the attached **Schedule of Unitholders** in exchange for the Capital Contribution, if any, of such Members described in Section 8.1 of this Agreement.

7.5. **Employee Equity; Unit Award Plan**. Without limiting the generality of Section 7.3, the Company may make available to its employees and consultants options to purchase Class B Units and may grant Units to employees and consultants (which such grantees shall thereby become admitted as Members of the Company) for such consideration and on such terms and conditions as may be determined by the Board of Managers and in accordance with the provisions of the Company's Unit Award Plan, a copy of which is attached to this Agreement as **Exhibit A**. The number of Units to be created and issued to, the amount and form of consideration to be made by, any such optionee/grantee shall be set forth in the Unit Award Plan

or in a Unit Award Agreement issued pursuant to the Plan. The Board of Managers shall have the power to amend and/or restate the Unit Award Plan from time-to-time in its sole discretion and shall have the power to amend and/or restate this Agreement pursuant to Section 15.2 to reflect the admission of such additional Member(s) as set forth in the Unit Award Plan.

7.6. **Limited Preemptive Rights; Additional Equity.**

7.6.1. If the Company authorizes the issuance or sale of any Units or other equity securities of the Company or any securities containing options or rights to acquire any Units or other equity securities of the Company ("***Offered Securities***") to any Member (other than issuances of Units or other equity interests (i) as compensation or payment of fees or as part of an incentive arrangement, (ii) as additional yield or consideration in connection with indebtedness for borrowed money, (iii) in connection with a split, dividend or similar event with respect to any class or type of Units, (iv) in connection with an initial public offering, or (v) in connection with a Capital Contribution by a Class C Unitholder pursuant to Section 8.2 below), the Company shall first offer to sell to each other Member a portion of the Units being issued, at the same price and on generally the same terms, equal to the quotient obtained by dividing (A) the aggregate number of Units then owned by such other Member by (B) the aggregate number of such Units then outstanding owned by all Members (such other Member's "***Proportional Share***"). In the event a Member does not exercise its preemptive rights under this Section 7.6.1, the portion of the Offered Securities that such Member had the right to purchase will be re-offered to the Members electing to exercise their preemptive rights under this Section 7.6.1 (pro rata among such Members based on their Proportional Share), and so on until either the Members have elected to purchase all of the Offered Securities or all Members have declined to purchase additional Offered Securities.

7.6.2. To implement the foregoing, prior to the date of any issuance by the Company of any Offered Securities to a Member (other than issuances to all Members) (the "***Issuance Date***"), the Company shall deliver a written notice (the ***Issuance Notice***") to each other Member specifying in reasonable detail the number and type of Offered Securities to be issued and the terms and conditions of the issuance. Each such other Member may elect to participate in the contemplated issuance at the same price per Offered Security (however denominated) and on the same terms by delivering written notice to the Company prior to the Issuance Date specifying the maximum amount of Offered Securities such other Member desires to purchase. Offered Securities shall be allocated among the Members so electing in an amount equal to the lesser of (i) the maximum amount specified by each such Member in such Initial Member's notice to the Company and (ii) such Member's Proportional Share of the Offered Securities being issued.

7.6.3. Upon the delivery of the Issuance Notice and subject to the provisions of this Section, no more than 10 days after the delivery of the Issuance Notice, the Company shall sell, and the purchasing Member and each other Member electing to participate in such issuance pursuant to this Section shall purchase, the amount of Offered Securities determined pursuant to Section 7.6.2 above at a mutually agreeable time and place (the "***Issuance Closing***"). At the Issuance Closing, the Company shall deliver to each Member participating in the issuance the certificates or other instruments representing the issued

securities (if certificated) free and clear of all liens and encumbrances, and each such Person shall make customary investment representations to the Company and shall deliver to the Company the purchase price of such securities by cashier's or certified check payable to the Company or by wire transfer of immediately available funds to an account designated by the Company.

8. CONTRIBUTIONS TO THE COMPANY AND CAPITAL ACCOUNTS.

8.1. **Members' Capital Contributions**. Each Member shall contribute, as such Member's aggregate Capital Contribution, the cash or property described in the attached **Schedule of Capital Contributions**. Except as otherwise provided under the Act and as set forth in the Schedule of Capital Contributions, Class A Unitholders and Class B Unitholders shall not be required to make a Capital Contribution to the Company.

8.2. **Capital Commitment**. The holders of Class C Units, severally and not jointly, shall have a Capital Commitment to the Company for the period and the amount set forth in the Schedule of Capital Contributions. Except as otherwise provided in this Section 8 or under the Act, the holders of Class C Units shall not be required to make additional Capital Contributions to the Company. The holders of Class C Units, severally and not jointly, shall make cash contributions to the capital of the Company in proportion to the number of Class C Units held by each, until the aggregate amount contributed by the Class C Unitholders equals their Capital Commitment when and as called by the Board of Managers upon at least ten (10) day's notice (the "***Capital Call Notice***"), provided, that the Board of Managers shall not be entitled to issue a Capital Call unless it reasonably and in good faith determines that the Company is unable to meet its debts and obligations as they become due after exhausting any other commercially reasonable third party financing alternatives available to the Company. Each Capital Contribution shall be made by means of a certified or cashier's check or by wire transfer of funds to an account designated by the Board. The Class C Unitholders shall be issued those certain Class C Units set forth opposite such Members' names on the attached **Schedule of Unitholders** in exchange for the Capital Commitment of such Members described above.

8.3. **Advances.** If, after the operation of Section 8.2 above, the Board of Managers determines that the Company does not have sufficient cash to enable the Company to operate its business and maintain its assets and to discharge its costs, expenses, obligations and liabilities, any Member may, with the consent of the Board of Managers, advance all or part of the necessary funds to or on behalf of the Company. Any such Advance by a Member shall constitute a loan from such Member to the Company, shall bear interest at the rate as agreed between the Member making the Advance, on the one hand, and the Managers, on the other hand, from the date made until repaid in full. Advances shall not be considered to be Capital Contributions.

8.4. **Enforcement of Commitments.** In the event the holders of Class C Units shall fail to make a Capital Contribution pursuant to a Capital Call or any other Member fails to make a required Capital Contribution, the Board of Managers shall give such Member (the "***Delinquent Member***") a notice of such failure. If the Delinquent Member fails to make such Capital Contribution in full, plus reimbursement of any costs incurred by the Company in

connection with the Delinquent Member's failure to have made such Capital Contribution (the "***Delinquent Amount***"), within ten days after the date of such notice, then without further notice the Company may, at its option, exercise one or more of the following remedies, as determined by the Board of Managers:

8.4.1. reduce the Delinquent Member's Units in the proportion that the Delinquent Amount bears to the aggregate Capital Contributions made by all Members (including the Delinquent Member) or, at the discretion of the Board, in proportion to the fair market value of the outstanding Units, as determined in good faith by the Board;

8.4.2. apply any Distributions otherwise to be paid to the Delinquent Member to such Delinquent Amount, including interest at 18% per annum, until the Capital Contribution is paid in full, or otherwise subordinate the Delinquent Member's Units to the Units of other Members;

8.4.3. conduct a forced sale of the Delinquent Member's Units and, for purposes of enforcing a Member's obligation to make any Capital Contribution, each Member hereby grants the Company a continuing security interest in such Member's Units;

8.4.4. permit other Members to make Advances of the Delinquent Amount or purchase additional Units in the amount of such Delinquent Amount in accordance with Section 7.3;

8.4.5. take such action (including, without limitation, legal proceedings) as the Board of Managers may deem appropriate to obtain payment by the Delinquent Member of the Delinquent Member's Capital Contribution that is in default, together with interest at 18% per annum, all at the cost and expense of the Delinquent Member; or

8.4.6. exercise any other rights and remedies available at law or in equity as the Board of Managers may deem appropriate.

8.5. **Capital Accounts.**

8.5.1. Establishment and Maintenance. A separate Capital Account will be maintained for each Unitholder throughout the term of the Company in accordance with the rules of Regulation Section 1.704-1(b)(2)(iv). Each Unitholder's Capital Account will be increased by: (a) the amount of money contributed by such Unitholder to the Company; (b) the fair market value of property contributed by such Unitholder to the Company (net of liabilities secured by such contributed property that the Company is considered to assume or take the property subject to under Code Section 752); (c) allocations to such Unitholder of Net Profits; (d) any items in the nature of income and gain that are specially allocated to the Unitholder pursuant to Sections 9.4 and 9.5; (e) allocations to such Unitholder of income and gain exempt from federal income tax and (f) any other items properly added to such Unitholder's Capital Account pursuant to Code Section 704(b) and the Regulations under such Section. Each Unitholder's Capital Account will be decreased by: (1) the amount of money distributed to such Unitholder by the Company; (2) the fair market value of property distributed to such Unitholder by the Company (net of liabilities secured by such distributed property that such Unitholder is considered to assume or take the property subject to Code Section 752); (3) allocations to such Unitholder of expenditures described in Code Section 705(a)(2)(B); (4) any items in the nature

of deduction and loss that are specially allocated to the Unitholder pursuant to Sections 9.4 and 9.5; (5) allocations to such Unitholder of Net Losses and (6) any other items properly subtracted from such Unitholder's Capital Account pursuant to Code Section 704(b) and the Regulations under such Section. In the event of a Permitted Transfer of Units, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Units.

8.5.2. Compliance with Regulations. The manner in which Capital Accounts are to be maintained pursuant to this Section 8.5 is intended to comply with the requirements of Code Section 704(b) and the Regulations promulgated under such Code Section. If in the opinion of the Company's legal counsel or accountants the manner in which Capital Accounts are to be maintained pursuant to the preceding provisions of this Section 8.5 should be modified in order to comply with Code Section 704(b) and such Regulations, then notwithstanding anything to the contrary contained in the preceding provisions of this Section 8.5, the method in which Capital Accounts are maintained shall be so modified; *provided*, that any change in the manner of maintaining Capital Accounts shall not materially alter the economic agreement between or among the Unitholders.

9. ALLOCATIONS OF NET PROFITS AND LOSSES.

9.1. **Allocation of Net Profits**. After giving effect to the special allocations set forth in Sections 9.4 and 9.5 of this Agreement, Net Profits from operations for any fiscal year shall be allocated as follows:

9.1.1. First, to the Unitholders in the amounts and proportions necessary to reverse on a cumulative basis without duplication, all allocations of Net Losses to the Unitholders in the inverse order in which such allocations were made to such Unitholders; and

9.1.2. Thereafter, to the Unitholders, pro-rata in accordance with their respective Percentage Interests.

9.2. **Allocation of Net Losses**. After giving effect to the special allocations set forth in Sections 9.4 and 9.5 of this Agreement, Losses for any fiscal year shall be allocated as follows:

9.2.1. First, to the Unitholders in the amounts and proportions necessary to reverse on a cumulative basis without duplication, all allocations of Net Profits to the Unitholders pursuant to Section 9.2.1, in the inverse order such allocations were made to such Unitholders pursuant to such Section; and

9.2.2. Thereafter, to the Unitholders, pro-rata in accordance with their respective Percentage Interests.

9.3. **Adjusted Capital Account Deficit**. Notwithstanding Sections 9.1 and 9.2 above and after application of Regulation Section 1.704-1(b)(2)(ii)(d), no Net Losses shall be allocated to a Unitholder which would cause such Unitholder to have an Adjusted Capital Account Deficit at the end of any fiscal year. Any Net Losses not allocated to a Unitholder due to the foregoing limitation shall be specially allocated to the Unitholders with positive Capital Account balances in proportion to such Capital Account balances until all such Capital Account

balances have been reduced to zero and any remainder shall be allocated to the Unitholders in the manner described in Section 9.1.

9.4. **Special Allocations.** The following special allocations shall be made for any calendar year of the Company in the following order:

9.4.1. Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain during any Company fiscal year, each Unitholder shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unitholder's share of the net decrease in Company Minimum Gain, determined in accordance with Regulation Sections 1.704-2(f) and 1.704-2(g)(2). The items to be so allocated, and the manner in which those items are to be allocated among the Unitholders, shall be determined in accordance with Regulation Sections 1.704-2(f) and 1.704-2(j)(2). This Section 9.4.1 is intended to satisfy the minimum gain chargeback requirement in Regulation Section 1.704-2(f) and shall be interpreted and applied accordingly.

9.4.2. Member Minimum Gain Chargeback. If there is a net decrease in Unitholder Minimum Gain during any Company fiscal year, each Unitholder who has a share of that Unitholder Minimum Gain, determined in accordance with Regulation Section 1.704-2(i)(5), shall be specially allocated items of Company income and gain for such year (and, if necessary, subsequent years) in an amount equal to such Unitholder's share of the net decrease in Unitholder Minimum Gain, determined in accordance with Regulation Sections 1.704-2(i)(4) and 1.704-2(i)(5). The items to be so allocated, and the manner in which those items are to be allocated among the Unitholders, shall be determined in accordance with Regulation Sections 1.704-2(h)(4) and 1.704-2(j)(2). This Section 9.4.2 is intended to satisfy the minimum gain chargeback requirement in Regulation Section 1.704-2(i)(4) and shall be interpreted and applied accordingly.

9.4.3. Qualified Income Offset. In the event that any Unitholder unexpectedly receives any adjustments, allocations, or Distributions described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of Company income and gain shall be specially allocated to such Unitholder in an amount and in a manner sufficient to eliminate as quickly as possible, to the extent required by Regulation Section 1.704-(I)(b)(2)(ii)(d), the Deficit Capital Account of the Unitholder (which Deficit Capital Account shall be determined as if all other allocations provided for in this Section 9 have been tentatively made as if this Section 9.4.3 were not in this Agreement).

9.4.4. Nonrecourse Deductions. Nonrecourse Deductions shall be allocated among the Unitholders in accordance with their respective Percentage Interests.

9.4.5. Unitholder Nonrecourse Deductions. Any Unitholder Nonrecourse Deductions shall be specially allocated among the Unitholders in accordance with Regulation Section 1.704-2(i).

9.5. **Corrective Allocations.**

9.5.1. Allocations to Achieve Economic Agreement. The allocations set forth in Sections 9.3 and 9.4 are intended to comply with certain regulatory requirements under

Code Section 704(b). The Members intend that, to the extent possible, all allocations made pursuant to such Sections will, over the term of the Company, be offset either with other allocations pursuant to Section 9.1 or with special allocations of other items of Company income, gain, loss, or deduction pursuant to this Section 9.5.1. Accordingly, the Board is hereby authorized and directed to make offsetting allocations of Company income, gain, loss or deduction under this Section 9.5.1 in whatever manner the Board determines is appropriate so that, after such offsetting special allocations are made, the Capital Accounts of the Unitholders are, to the extent possible, equal to the Capital Accounts each would have if the provisions of Sections 9.3 and 9.4 were not contained in this Agreement and all income, gain, loss and deduction of the Company were instead allocated pursuant to Section 9.1 and Section 9.2.

9.5.2. Waiver of Application of Minimum Gain Chargeback. The Board may request from the Commissioner of the Internal Revenue Service a waiver, pursuant to Regulation Section 1.704-2(f)(4), of the minimum gain chargeback requirements of Regulation Section 1.704-2(f) if the application of such minimum gain chargeback requirement would cause a permanent distortion of the economic arrangement of the Unitholders.

9.6. **Other Allocation Rules.**

9.6.1. General. Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction, and any other allocations not otherwise provided for shall be divided among the Unitholders in the same proportions as they share Net Profits or Net Losses, as the case may be, for the year.

9.6.2. Allocation of Recapture Items. In making any allocation among the Unitholders of income or gain from the sale or other disposition of a Company asset, the ordinary income portion, if any, of such income and gain resulting from the recapture of cost recovery or other deductions shall be allocated among those Unitholders who were previously allocated (or whose predecessors-in-interest were previously allocated) the cost recovery deductions or other deductions resulting in the recapture items, in accordance with Regulations Section 1.1245-1.

9.6.3. Allocation of Excess Nonrecourse Liabilities. Solely for purposes of determining a Unitholder's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulation Section 1.752-3(a)(3), the Unitholders' interests in the Company's profits shall be in the same proportions as they share Net Profits under Section 9.1.2.

9.6.4. Allocations in Connection with Varying Interests. If, during any calendar year, there is (i) a transfer of a Unitholder's Units under this Agreement or (ii) the issuance of Units by the Company to a Unitholder, Net Profit, Net Loss, each item of Net Profit and Net Loss, and all other tax items of the Company for such period shall be divided and allocated among the Unitholders by taking into account their varying interests during such fiscal year in accordance with Code Section 706(d) and using any conventions permitted by law and selected by the Board of Managers.

9.7. **Determination of Net Profit or Net Loss.**

9.7.1. Computation of Net Profit or Loss. The Net Profit or Net Loss of the Company, for each fiscal year or other period, shall be an amount equal to the Company's taxable income or loss for such period, determined in accordance with Code Section 703(a) (and, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Code Section 703(a)(1), including income and gain exempt from federal income tax, shall be included in computing Net Profit or Loss).

9.7.2. Adjustments to Net Profit or Loss. For purposes of computing Net Profit or Loss on the disposition of an item of Company property or in determining the cost recovery, depreciation, or amortization deduction with respect to any property, the Company shall use such property's book value determined in accordance with Regulation Section 1.704-1(b). Each property's book value shall be equal to its adjusted basis for federal income tax purposes, except as follows:

(a) The initial book value of any property contributed by a Member to the Company shall be the gross fair market value of such property at the time of contribution;

(b) In the sole discretion of the Board of Managers, the book value of all Company properties may be adjusted to equal their respective gross fair market values, as determined by the Board as of the following times: (1) in connection with the acquisition of an interest in the Company by a new or existing Member for more than a *de minimis* Capital Contribution, (2) in connection with the liquidation of the Company as defined in Regulation Section 1.704-1(b)(2)(ii)(g), (3) in connection with a more than *de minimis* Distribution to a retiring or a continuing Unitholder as consideration for all or a portion of his or its interest in the Company, (4) such other times as are permitted under the Section 704 of the Code and the Treasury Regulations adopted under the Code or (5) at such other times as the Board shall determine. In the event of a revaluation of any Company assets pursuant to this Section 9.7.2, the Capital Accounts of the Unitholders shall be adjusted to the extent provided in Regulation Section 1.704-1(b)(2)(iv)(f);

(c) If the book value of an item of Company property has been determined pursuant to this Section 9.7.2, such book value shall thereafter be used, and shall thereafter be adjusted by depreciation or amortization, if any, taken into account with respect to such property, for purposes of computing Net Profit or Loss in accordance with Regulation Section 1.704-1(b)(2)(iv)(g).

9.7.3. Items Specially Allocated. Notwithstanding any other provision of this Section 9.7, any items that are specially allocated pursuant to Sections 9.4 or 9.5 shall not be taken into account in computing Net Profit or Net Loss.

9.8. **Mandatory Tax Allocations Under Code Section 704(c).**

9.8.1. In General. In accordance with Code Section 704(c) and Regulation Section 1.704-3, income, gain, loss and deduction with respect to any property contributed to the capital of the Company shall, solely for tax purposes, be allocated among the

Unitholders so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial book value computed in accordance with Section 9.7.2(a). Prior to the contribution of any property to the Company that has a fair market value that differs from its adjusted basis in the hands of the contributing Member on the date of contribution, the contributing Member and the other Members by Majority Vote shall agree upon the allocation method to be applied with respect to that property under Regulation Section 1.704-3, which allocation method shall be set forth on attached **Schedule of Allocation Method**, as amended from time to time.

9.8.2. Revaluation Adjustments. If the book value of any Company property is adjusted pursuant to Section 9.7.2(b), subsequent allocations of income, gain, loss and deduction with respect to such property shall take account of any variation between the adjusted basis of such property for federal income tax purposes and its book value in the same manner as under Code Section 704(c). The choice of allocation methods under Regulation Section 1.704-3 with respect to such revalued property shall be made by the Board of Managers, with the approval of the Members by Majority Vote, and set forth on attached **Schedule of Allocation Method**, as amended from time to time.

9.8.3. Allocations Disregarded in Determining Net Profit and Net Loss. Allocations pursuant to this Section 9.8 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Unitholder's Capital Account or share of Net Profit, Net Loss, or other items as computed for book purposes, or distributions pursuant to any provision of this Agreement.

10. DISTRIBUTIONS.

10.1. **Discretion of Board of Managers.** Subject to the mandatory Distribution provisions of Section 10.4 and the limitations on Distributions expressed in Section 10.6, the Board shall have sole discretion to determine the timing, character (i.e. what property is to be distributed), and aggregate amount of Distributions to the Unitholders pursuant to this Section 10.

10.2. **Current Distributions**. If current Distributions from operations of the Company are made by the Board of Managers, such Distributions shall be made to the Unitholders in the following order and priority:

10.2.1. First, among the holders of Class C Units in proportion to and to the extent of each such holder's Remaining Capital; and

10.2.2. Thereafter, to all Unitholders in proportion to their respective Percentage Interests.

10.3. **Distributions in Kind.** Non-cash assets, if any, shall be distributed in a manner that reflects how cash proceeds from the sale of such asset for fair market value would have been distributed under Section 10.2 (after any unrealized gain or loss attributable to such non-cash assets has been allocated among the Unitholders in accordance with Section 9).

10.4. **Mandatory Tax Distributions.** No later than the 10th day of May, August, November, and February of each year, the Company shall distribute to each Unitholder, to the extent permitted by law and subject to Section 10.6, an amount equal to the excess of (i) 43% of (a) the amount estimated by the Board of Managers to be such Unitholder's allocable share (as determined pursuant to Section 9 above, and adjusted for any discrepancies between the amount estimated and the actual Net Profit for the prior quarter) of the Company's Net Profit for the fiscal quarter ending on the last day of March, June, September, and December respectively, and (b) any amount allocable to such Unitholder in accordance with Section 9.8 over (ii) any Distributions under Section 10.2 during such prior calendar quarters. Any Distributions made during any calendar quarter in excess of the Distributions required by this Section 10.4 shall be taken into account in determining the extent of any future Distributions so required. It is the intention of the Members that Distributions pursuant to this provision provide the Unitholder with funds to pay federal taxes on Net Profit allocated to Unitholders pursuant to this Agreement. In the event that the highest federal income tax rate applicable to individuals or corporations is changed, the reference to 43%, above, shall be changed to a percentage that is equal to the higher of the highest marginal federal income tax rate applicable to individuals or corporations. All Distributions made pursuant to this Section 10.4 shall be treated as amounts distributed to the Unitholders pursuant to this Section 10 for all purposes of this Agreement. In addition, all Distributions made pursuant to this Section 10.4 shall be taken into consideration when determining the pro rata amount of distributions under Section 10.2 above, such that to the extent distributions under this 10.4 are not in accordance with the Members' Percentage Interests, distributions under Section 10.2, when made in accordance with such Section, shall be made in such proportions as shall cause the aggregate distributions under both such Sections to be in proportion to each Member's respective Percentage Interest.

10.5. **Withholding; Amounts Withheld Treated as Distributions.** The Board of Managers is authorized to withhold from Distributions, or with respect to allocations or payments, to Unitholders and to pay over to the appropriate federal, state or local governmental authority any amounts required to be withheld pursuant to the Code or provisions of applicable state or local law. All amounts withheld pursuant to the preceding sentence in connection with any payment, Distribution or allocation to any Unitholder shall be treated as amounts distributed to such Unitholder pursuant to this Section 10 for all purposes of this Agreement.

10.6. **Limitation Upon Distributions.** No Distribution shall be declared and paid unless, after the Distribution is made, (i) the assets of the Company are in excess of all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, and (ii) the Company is able to pay its debts as they become due in the usual course of business.

10.7. **Liquidating Distributions.** Notwithstanding the foregoing, Distributions upon liquidation of the Company shall be made in accordance with Section 13.2.

11. ACCOUNTING, BOOKS, AND RECORDS.

11.1. **Accounting Principles.** The Company's books and records shall be kept, and its income tax returns prepared, in accordance with GAAP, consistently applied, as the Board of Managers determines is in the best interest of the Company and its Members.

11.2. **Interest on and Return of Capital Contributions.** No Member shall be entitled to interest on such Member's Capital Contribution or to return of such Member's Capital Contribution, except as otherwise specifically provided for in this Agreement.

11.3. **Loans to Company.** Nothing in this Agreement shall prevent any Member from making secured or unsecured loans to the Company that have been approved by the Board.

11.4. **Accounting and Tax Periods.** The Company's accounting and tax periods shall be the twelve (12) month period ending on or around March 31st, provided, however, that the Board may elect to change the Company's accounting period at any time upon the advice of counsel if it deems that such a change would be in the best interests of the Company.

11.5. **Records, Audits and Reports.** At the expense of the Company, the Chief Financial Officer shall maintain records and accounts of all operations and expenditures of the Company. At a minimum, the Company shall keep at its principal place of business the following records:

(a) A current list and past list, setting forth the full name and last known mailing address of each Member and Financial Interest Owner;

(b) A copy of the Certificate of Formation and all amendments to such certificate;

(c) Copies of this Agreement and all amendments to this Agreement;

(d) Copies of the Company's federal, state, and local tax returns and reports, if any, for the three most recent years;

(e) Minutes of every meeting of the Members and any written consents obtained from Members for actions taken by Members without a meeting; and

(f) Copies of the Company's financial statements for the three most recent years together with any management reports, audit letters, or similar documents produced by the Company's auditors.

11.6. **Tax Matters Partner.**

11.6.1. Designation. Holdings shall be the "tax matters partner" of the Company for purposes of Code Section 6221, et seq. and corresponding provisions of any state or local tax law.

11.6.2. Expenses of Tax Matters Partner; Indemnification. The Company shall indemnify and reimburse the tax matters partner for all reasonable expenses, including legal and accounting fees, claims, liabilities, losses and damages incurred in connection with any administrative or judicial proceeding with respect to the tax liability of the Unitholders attributable to the Company. The payment of all such expenses shall be made before any Distributions are made to Unitholders. Neither the tax matters partner nor any Member shall have any obligation to provide funds for such purpose. The provisions for exculpation and indemnification of Managers as set forth in Sections 3.6 and 14 of this Agreement shall be fully applicable to the Member acting as tax matters partner for the Company.

11.6.3. Duties of Tax Matters Partner. The tax matters partner (i) shall consult with and consider the views of the Board of Managers prior to taking any material action in its capacity as the tax matters partner; (ii) shall not settle any audit or judicial proceeding without the approval of the Board of Managers; (iii) shall promptly furnish the Members with all copies of material documents and notices received in connection with an administrative or judicial proceeding relating to income tax matters of the Company; and (iv) shall notify promptly each of the Members under the following circumstances; (A) if the tax matters partner causes an amended return to be filed on behalf of the Company; (B) if the tax matters partner extends the statute of limitations on assessments with respect to any taxable year of the Company; (C) if any tax return of the Company is audited or if any adjustments to any such return are proposed in writing; and (D) if the tax matters partner enters into a settlement agreement relating to any items of Company income, gain, loss, deduction or credit for any taxable year of the Company.

11.7. **Returns and Other Elections.** The Chief Executive Officer of the Company shall cause the preparation and timely filing of all tax and information returns required of the Company pursuant to the Code and all other tax and information returns deemed necessary and required in each jurisdiction in which the Company does business. Copies of such returns, or pertinent information from such returns, shall be furnished to the Unitholders within a reasonable time after the end of the Company's fiscal year. Except as otherwise expressly provided to the contrary in this Agreement, all elections by the Company under federal or state laws shall be approved by the Board of Managers. The Board of Managers shall confirm each tax return.

12. CERTIFICATES; ISSUANCE AND TRANSFER OF UNITS.

12.1. General.

12.1.1. Certificates for Units. Every Unitholder in this Company shall be entitled to have a certificate signed in the name of the Company by the Chairman of the Board or Chief Executive Officer, and by the Secretary or any Assistant Secretary, certifying the number of Units and the class of Units owned by the Unitholder. Unit certificates shall be in the form adopted by the Board of Managers.

12.1.2. Issuance. Unit certificates shall be issued only upon receipt by the Company of the consideration determined by the Board of Managers to be paid or exchanged for such Units.

12.1.3. Records. Unit certificates shall be numbered consecutively. The name of the person owning the Units, together with the number of Units, the class or series of such Units and the date of issue, shall appear on each certificate and shall be entered on the books of the Company.

12.1.4. Transfer on the Books. Upon surrender to the Secretary or transfer agent of the Company of a certificate for Units duly endorsed or accompanied by proper evidence of succession, assignment, or authority to transfer, it shall be the duty of the Company to issue a new certificate to the person entitled to such certificate, to cancel the old certificate, and to record the transaction upon its books, unless such transfer is not permitted pursuant to this Agreement.

12.1.5. Lost or Destroyed Certificates. The Company may issue a new certificate for Units or any other security in the place of any certificate previously issued and alleged to have been lost, stolen, or destroyed; and the Company may require the owner of the lost, stolen or destroyed certificate or the owner's legal representative to give the Company a bond (or other adequate security) sufficient to indemnify it against any claim that may be made against it (including any expense or liability) on account of the alleged loss, theft, or destruction of any such certificate or the issuance of such new certificate.

12.1.6. Subscriptions. Subscriptions for Units shall be in writing and in such form and content as the Board of Managers may require.

12.1.7. Legends. The certificates representing the Units shall be endorsed with a legend substantially in the following form:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A LIMITED LIABILITY COMPANY AGREEMENT DATED AS OF JULY 15, 2004, BY AND AMONG THE COMPANY'S UNITHOLDERS, AS AMENDED AND MODIFIED FROM TIME TO TIME. A COPY OF SUCH LIMITED LIABILITY COMPANY AGREEMENT SHALL BE FURNISHED WITHOUT CHARGE BY THE COMPANY TO THE HOLDER OF THIS CERTIFICATE UPON WRITTEN REQUEST.
>
> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER APPLICABLE STATE SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED OR DISPOSED OF UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT COVERING SUCH SECURITIES AND THE SECURITIES HAVE BEEN QUALIFIED OR REGISTERED UNDER APPLICABLE STATE SECURITIES LAWS OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS.

12.2. **Restrictions on Transfer of Units.**

12.2.1. Retention of Units. No Unitholder shall Transfer any of their Units, except pursuant to a Permitted Transfer and in compliance with the above legends.

12.2.2. Permitted Transfers. The restrictions contained in Section 12.2.1 shall not apply with respect to any Permitted Transfer of Units; provided, however, that (i) the transferees of such Units shall have agreed in writing to be bound by the

provisions of this Agreement with respect to the Units so Transferred and (ii) notwithstanding anything contained in this Agreement to the contrary, a holder of Unvested Class B Units may not Transfer any Unvested Class B Units to a Permitted Transferee or otherwise and any attempted Transfer of Unvested Class B Units shall be void and shall not be registered on the books of the Company.

12.2.3. Termination of Restrictions. The restrictions on the Transfer of Units set forth in Section 12.2.1 shall continue with respect to each such Units (and shall survive any Transfer of Units) until the repurchase of such Units pursuant to Section 12.4, or (ii) the closing of a Sale of the Company.

12.3. **Right of Last Refusal**. In the event that any Unitholder, including any of their Permitted Transferees, receives a bona fide offer to purchase all or any portion of the Units held by such Person (a "***Transaction Offer***") from a non-Affiliate which such Unitholder or Permitted Transferee desires to accept (other than (i) a Permitted Transfer, (ii) a Sale of the Company, (iii) a Transfer pursuant to the repurchase provisions of the Unit Award Plan or a Unit Award Agreement, (iv) a Bring Along Transfer or (v) an Involuntary Transfer) (the "***Offeror***"), such Unitholder or Permitted Transferee (a "***Transferring Unitholder***") shall, subject to the provisions of Section 12.5 and 12.6 below, Transfer such Units pursuant to and in accordance with the following provisions of this Section 12.3.

12.3.1. Such Transferring Unitholder shall deliver a written notice (the "***Offer Notice***") to the Company and to the other Unitholders who are Members (the "***Other Members***") specifying in reasonable detail the identity of the prospective transferee(s), the number and type of Units to be transferred (the "***Subject Securities***") and the price and other terms and conditions of the proposed Transfer. The Transferring Unitholder shall not consummate such proposed Transfer until at least 30 days after the delivery of the Offer Notice, unless the parties to the Transfer have been finally determined pursuant to this Section 12.3 prior to the expiration of such 30-day period (the date of the first to occur of 30 days after such delivery or such final determination is referred to in this Section 12.3 as the "***Authorization Date***").

12.3.2. First, the Company may elect to purchase all or a portion of the Subject Securities, at the price and on the other terms specified in the Offer Notice, by delivering written notice of such election to the Transferring Unitholder and the Other Members as soon as practicable, but in any event within 20 days after delivery of the Offer Notice.

12.3.3. Second, if the Company has not elected within such 20-day period to purchase all of the Subject Securities, each Other Member may elect to purchase its Member Pro Rata Portion of the Subject Securities, at the price and on the other terms specified in the Offer Notice, by delivering written notice of such election to the Transferring Unitholder as soon as practicable, but in any event within 30 days after delivery of the Offer Notice.

12.3.4. If the Company and/or the Other Members have elected to purchase all of the Subject Securities from the Transferring Unitholder, such purchase transaction shall be consummated as soon as practicable after delivery of the election notice(s) to the Transferring Unitholder, but in any event within 45 days after the Authorization Date, subject

to extension to the extent reasonably necessary for the purpose of obtaining any required governmental consent or approval (but in no event longer than 90 days).

12.3.5. If the Company and the Other Members do not elect, in the aggregate, to purchase all (but not less than all) of the Subject Securities, subject to the Tag Along provisions set forth in Section 12.5 of this Agreement, the Transferring Unitholder may, within the 90 days following the Authorization Date, transfer such Subject Securities to the transferee(s) specified in the Offer Notice on terms no more favorable to such transferee(s) than specified in the Offer Notice. Any Subject Securities not so transferred within such 90-day period shall again be subject to the provisions of this Section 12.3 upon any subsequent Transfer.

12.3.6. The purchase price specified in any Offer Notice shall be payable solely in cash at the closing of the repurchase transaction or, at the election of the Transferring Unitholder in installments over time in accordance with the terms of purchase, if any, specified in the Offer Notice. In addition, the Company may pay the purchase price for any Subject Securities purchased pursuant to this Section 12.3 by offsetting any bona fide debts owed by the Transferring Unitholder to the Company or any of its Subsidiaries.

12.4. **Repurchase Option for Class B Units.** Class B Units shall be subject to any repurchase option set forth in the Unit Award Plan or any Unit Award Agreement.

12.5. **Tag Along Rights.**

12.5.1. Procedure. If one or more Unitholders who are also Members wish to Transfer fifty percent (50%) or more of the outstanding Voting Units to an un-Affiliated third party (other than (i) a Permitted Transfer to a Member's Family Group or an Affiliate of a Member, (ii) repurchase or other redemption of Units by the Company, (iii) a Bring Along Transfer or (iv) an Involuntary Transfer) (such Transfer as described in this Section 12.5, a "***Tag Along Transfer***") and neither the Company nor the Other Members purchase all of the Units pursuant to the Right of Last Refusal set forth in Section 12.3, prior to a sale pursuant to Section 12.3.5, such Unitholder (an "***Exit Seller***" for purposes of this Section 12.5) shall provide the Other Members the option (the "***Tag Along Option***"), exercisable by each such Other Member in such Member's sole discretion, whether or not to join in such sale and sell all of such Member's Units in the Company to such third party buyer on the same terms and conditions as the Exit Seller (or in the event the Units of the Other Members are of a class of Units different than the Units being Transferred by the Exit Seller, for a price equal to the Total Equity Value of such Units). The Exit Seller shall send written notice of a proposed sale of all of its Units to the Members not less than twenty (20) days prior to the proposed closing which notice shall provide a description of such proposed sale in reasonable detail. The other Members must send written notice of their respective decisions to the Exit Seller and all other Members within ten (10) days of their receipt of the Exit Seller's notice. Time is of the essence with respect to such response notice and the failure to send such response on a timely basis shall be deemed a decision not to exercise any option available.

12.5.2. General. If any Member has exercised such Member's option with respect to the Tag Along Option and the proposed buyer does not wish to buy all of the Units being offered, then the maximum Units that the buyer is willing to buy of each class of

Units such buyer is willing to buy shall be allocated among the selling Members holding Units of such Class in proportion to each such selling Member's Percentage Interest.

12.6. **Bring Along Rights.**

12.6.1. In General. If one or more Unitholders who are also Members (the "***Exit Sellers***" for purposes of this Section 12.6) wish to Transfer Units in the Company representing fifty percent (50%) or more of the then outstanding Voting Units in the Company to an un-Affiliated third party (other than (i) a Permitted Transfer, (ii) an Involuntary Transfer or (iii) a Tag Along Transfer) (such Transfer as described in this Section 12.6, a "***Bring Along Transfer***"), then such Exit Sellers may, in their sole discretion, elect by written notice to the other Unitholders (the "***Bring Along Notice***") to require all other Unitholders of the Company (the "***Other Unitholders***") to either sell all but not less than all of their Units in the Company on the same terms and conditions as such Exit Sellers (or in the case of Units of a different class than the Units being sold by the Exit Sellers, at the Total Equity Value of such Units), (such sale, a "***Bring Along Sale***") or to elect to purchase (the "***Purchase Option***") all of the Units of the Exit Seller(s) on such terms and conditions. The Other Unitholders may exercise the Purchase Option by delivering written notice (the "***Purchase Option Notice***") to the Exit Seller(s) not less than ten (10) days following delivery of the Bring Along Notice. If such Purchase Option Notice is not timely delivered, such Purchase Option shall be deemed to not have been exercised. Time is of the essence in connection with the exercise of the Purchase Option by delivery of the Purchase Option Notice.

12.6.2. Power of Attorney. Each Unitholder of the Company hereby designates the Chairman of the Board with full power of substitution, as such Unitholder's true and lawful attorney, to act and in the Unitholder's name, place and stead, to make, execute, sign and acknowledge all documents, instruments and agreements to accomplish a Bring Along Sale in accordance with this Section 12.6, which documents, instruments and agreements may include representations, warranties, covenants and indemnifications substantially the same as those applicable to the Exit Sellers. The foregoing appointment, being coupled with an interest, is irrevocable.

12.7. **Involuntary Transfers.**

12.7.1. The Company's Option to Purchase. In the event that a Unitholder suffers an Involuntary Transfer of all or any portion of such Unitholder's Units, such Unitholder shall immediately give written notice to the Company (the "***Involuntary Transfer Notice***"), with copies to the other Unitholders who are Members ("***Non-Involuntary Transferring Members***"), describing the event constituting the Involuntary Transfer, the names and addresses of all parties involved, the number of Units involved, and, if applicable, the amount of any judgment or other indebtedness with respect to which the Involuntary Transfer was suffered. The occurrence of the event that constitutes the Involuntary Transfer shall be deemed to be an offer to sell to the Company any portion of the Units that are the subject of the event constituting the Involuntary Transfer ("***Involuntary Units***"), at the Fair Market Value of such Units. The Company shall have 20 days from the date of receipt of the Involuntary Transfer Notice in which to accept the offer as to some or all of such Units by providing written notice of acceptance to the offering Unitholder. The Company may make payment for the Involuntary Units to be repurchased directly to the party to whom the Units would otherwise be

transferred. The closing of the sale shall occur within 30 days after the Company's acceptance of the offer, subject to extension to the extent reasonably necessary for the purpose of obtaining any required governmental consent or approval (but in no event longer than 90 days). Any Involuntary Units not purchased by the Company pursuant to this Section 12.7.1, by any Non-Involuntary Transferring Member pursuant to Section 12.7.2 or by a third person pursuant to Section 12.7.3, shall continue to be held by the Unitholder suffering the Involuntary Transfer, subject to the terms and conditions of this Agreement.

12.7.2. The Members' Option to Purchase. In the event that the Company does not timely elect to redeem or purchase all of the Involuntary Units pursuant to Section 12.7.1, the Non-Involuntary Transferring Members may purchase up to their Member Pro Rata Portion of all or that remaining portion of the Involuntary Units at the Fair Market Value of such Units. Each of the Non-Involuntary Transferring Members shall have 45 days from the date of receipt of the Involuntary Transfer Notice to the Company in which to exercise their option to purchase by providing written notice of acceptance to such Unitholder, the other Non-Involuntary Transferring Members and the Company. Each Non-Involuntary Transferring Member shall have the further option, by providing written notice to such Member, the other Non-Involuntary Transferring Members and the Company within 50 days from the date of receipt of the Involuntary Transfer Notice to the Company, to purchase their Member Pro Rata Portion of any remaining portion of the Involuntary Units not taken up by the other Non-Involuntary Transferring Members. The closing of the sale of Units pursuant to this Section 12.7.2 shall occur within 30 days after delivery of the final notice of exercise pursuant to this Section 12.7.2, subject to extension to the extent reasonably necessary for the purpose of obtaining any required governmental consent or approval (but in no event longer than 90 days).

12.7.3. Failure of Acceptance. If the Company or the Non-Involuntary Transferring Members fail to accept the offer made pursuant to Sections 12.7.1 or 12.7.2 or if the Company and the Non-Involuntary Transferring Members elect to purchase less than all of the Involuntary Units, the offering Unitholder may sell or transfer the Involuntary Units not purchased by the Company or the Non-Involuntary Transferring Members (the "***Unsold Units***") upon such terms and conditions as such Unitholder deems advisable; provided that the purchaser or transferee shall execute a counterpart of this Agreement and shall agree to be bound by all the terms and conditions of this Agreement. If the Unsold Units are not sold or transferred within 90 days following the expiration of the 30-day acceptance period, the Unsold Units shall again become subject to the restrictions of this Agreement.

12.8. **Effect of Change of Units.** Except as provided otherwise in this Agreement, if the Company shall, at any time after any purchase or repurchase price is determined pursuant to this Agreement, and prior to the closing of any purchase or repurchase pursuant to this Agreement, increase the number of outstanding Units by means of a Unit split or distribution of Units, or decrease the number of outstanding Units by combining such Units into a smaller number of Units, then immediately after the record date for such change, the purchase or repurchase price of each Unit under this Agreement shall be proportionately decreased, in case of such Unit split or Unit dividend, or proportionately increased in case of such combination of Units, with the result that the aggregate purchase or repurchase of the Units to be purchased or

repurchased immediately after such change shall be the same as the aggregate purchase or repurchase of such Units immediately prior to such change.

12.9. **Specific Performance.** The parties acknowledge that monetary damages are insufficient in the event that any Unitholder does not comply with the provisions of Section 12 and accordingly agree that, in the event of a breach of any of such provisions, notwithstanding Section 17.10, the other Unitholders or the Company, as applicable, shall have the right to seek specific performance and/or injunctive or other relief in order to enforce or prevent any violations of such sections without proof of damages and without the necessity of posting a bond or other security.

12.10. **Purchase in Cash.** Except as provided otherwise in this Agreement, any purchase or repurchase of Units pursuant to this Agreement shall be made in cash at the closing of the purchase or repurchase. All Units shall be sold free and clear of all liens, claims and encumbrances.

12.11. **Setoff.** Except as provided otherwise in this Agreement, in the event the Company repurchases Units pursuant to this Agreement from a Unitholder, the Company shall set off against the repurchase price for the Units any indebtedness owed to the Company by such Unitholder or his or her estate, whether or not such indebtedness is then due. If a Member purchases another Unitholder's Units pursuant to this Agreement, prior to making any payment to the seller, the purchaser shall pay to the Company that part of the purchase price equal to any indebtedness owed by the seller or his or her estate to the Company, whether or not such indebtedness is then due, and such payments shall be deemed payments on account of such purchase price.

12.12. **Recognition of Transfer.** Upon a Permitted Transfer of Units, and as a condition to recognizing the effectiveness and binding nature of any Permitted Transfer, and (subject to Section 12.15) substitution of a Person as a Unitholder, the Board may require the transferring Unitholder and the proposed transferee to execute, acknowledge and deliver to the Board such instruments of transfer, assignment and assumption and such other agreements and to perform all such other acts that the Board may deem reasonably necessary or desirable to (i) constitute such Person as a Unitholder, (ii) confirm that the Person desiring to become a Unitholder, has accepted, assumed and agreed to be subject and bound by all of the terms, obligations and conditions of this Agreement (whether such Person is to be admitted as a new Member or will merely be an Financial Interest Holder), (iii) maintain the status of the Company as a partnership for federal income tax purposes, and (iv) assure compliance with any applicable state and federal laws, including securities laws and regulations.

12.13. **Effective Date.** Any Transfer of Units or admission of a Member in compliance with this Section 12 shall be deemed effective as of the last day of the calendar month in which the remaining Members' consent to such Transfer is given, or, if no such consent is required pursuant to Section 12.14, then on such date that the transferor and the transferee both comply with Section 12.12. The transferring Unitholder hereby indemnifies the Company and its Managers, Members and officers against any and all loss, damage, or expense (including,

without limitation, tax liabilities or loss of tax benefits) arising directly or indirectly as a result of any Transfer or purported Transfer in violation of this Section 12.

12.14. **Admission of Additional Members.**

12.14.1. Consent to Admission of Permitted Transferees as Members. The Members hereby consent to the admission of, and direct the Board of Managers and officers of the Company to take all action necessary or desirable to admit, all Permitted Transferees as Members of the Company.

12.14.2. Consent to Admission of Subscribers for Authorized Units as Members. The Members hereby consent to the admission of, and direct the Board of Managers and officers of the Company to take all action necessary or desirable to admit, all subscribers of authorized Units as Members of the Company.

12.14.3. Other Transferees Not Members. In the event the Members consent, pursuant to Section 12.14, to the Transfer of Units to other than a Permitted Transferee, the transferee of such Units shall not be admitted as a Member and shall be merely a Financial Interest Holder.

12.15. **Attempted Transfers in Violation of Transfer Restrictions.**

12.15.1. Void. Any attempt to Transfer Units in violation of this Agreement shall be ineffective and the Company and its Members shall have no obligation to recognize the purported Transfer in any manner. Notwithstanding the foregoing, if a Transfer to other than a Permitted Transferee is approved by the Board of Managers, the Company may, on such terms as it may determine in its sole discretion, elect to waive the violation and to allow the transfer of such Units to the purported transferee.

12.15.2. Indemnity. In the case of a Transfer or attempted Transfer in violation of this Agreement, the parties engaging or attempting to engage in such Transfer shall be liable to indemnify and hold the Company, its Managers, Members and officers, harmless from all costs, liability and damages that any of such indemnified persons may incur (including, without limitation, incremental tax liability (including penalties and interest) and attorneys' and accountants' fees and expenses) as a result of such Transfer or attempted Transfer.

13. **DISSOLUTION AND TERMINATION.**

13.1. **Termination Event.** The Company shall dissolve and commence winding up and liquidating upon the first to occur of any of the following events (each a "***Termination Event***"):

(a) The Majority Vote of Members;

(b) The entry of a decree of judicial dissolution under the Act; or

(c) The happening of any other event that makes it unlawful or impossible to carry on the business of the Company.

Notwithstanding any provision of the Act, the Company shall not dissolve prior to the occurrence of a Termination Event, including upon the occurrence of an event of dissociation of

a Member under the Act, and the remaining Members shall have the right to continue the Company following any such event of dissociation. If it is determined by a court of competent jurisdiction, that the Company has dissolved prior to the occurrence of a Termination Event, the Members hereby agree to continue the business of the Company without a winding up or liquidation.

13.2. **Winding Up, Liquidation and Distribution of Assets.** Upon dissolution, the Chief Executive Officer shall immediately proceed to wind up the affairs of the Company, unless the business of the Company is continued as provided in Section 13.1. The Chief Executive Officer shall sell or otherwise liquidate all of the Company's assets as promptly as practicable (except to the extent the Board may determine to distribute any assets to the Unitholders in kind) and shall apply the proceeds of such sale and the remaining Company assets in the following order of priority:

13.2.1. First, to the payment of creditors, including Members who are creditors, to the extent otherwise permitted by law, in satisfaction of liabilities of the Company, other than liabilities for distributions to Members;

13.2.2. Second, to establish any reserves that the Board deems reasonably necessary for contingent or unforeseen obligations of the Company and, at the expiration of such period as the Board shall deem reasonably advisable, the balance then remaining in the manner provided below; and

13.2.3. Thereafter, to and among the Unitholders in proportion to their respective positive Capital Account balances after adjusting such Capital Accounts to reflect the allocations of Net Profit, Net Losses and other items of the Company in accordance with Sections 9 and 10 of this Agreement.

13.3. **No Obligation to Restore Negative Capital Account Balance on Liquidation.** Notwithstanding anything to the contrary contained in this Agreement, and notwithstanding any custom or rule of law to the contrary, to the extent that a deficit, if any, in the Capital Account of any Unitholder results from or is attributable to deductions or losses of the Company (including noncash items such as amortization or depreciation), or distributions of money or other property pursuant to this Agreement to Unitholders, such deficit shall not be an asset of the Company and such Unitholder shall not be obligated to contribute such amount to the Company to bring the balance of such Unitholder's Capital Account to zero.

13.4. **Termination.** The Chief Executive Officer shall comply with any applicable requirements of applicable law pertaining to the winding up of the affairs of the Company and the distribution of its assets. Upon completion of the winding up, liquidation and distribution of the assets, the Company shall be deemed terminated.

13.5. **Certificate of Cancellation.** When all debts, liabilities and obligations have been paid and discharged or adequate provisions have been made for such items and all of the remaining property and assets have been distributed to the Unitholders, the Chief Executive Officer shall file a certificate of cancellation as required by the Act. Upon filing the certificate

of cancellation, the existence of the Company shall cease, except as otherwise provided in the Act.

13.6. **Return of Contribution Nonrecourse to Other Members.** Except as provided by law or as expressly provided in this Agreement, upon dissolution each Unitholder shall look solely to the assets of the Company for the return of such Unitholder's Capital Contribution. If the property remaining after the payment or discharge of liabilities of the Company is insufficient to return the Capital Contributions of Members, no Unitholder shall have recourse against any other Unitholder so long as the assets of the Company have been distributed in accordance with Section 13.

14. INDEMNIFICATION.

14.1. **Right to Indemnification**. Each Person who was, is or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any threatened, pending or completed action, suit, claim or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal ("***Proceeding***"), by reason of the fact that he or she is or was a Manager, Member or officer of the Company or, that being or having been such a Manager, Member or officer or an employee of the Company, he or she is or was serving at the request of the Company as a director, officer, manager, partner, trustee, employee or agent of another corporation or of a partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise (an "***Indemnitee***"), whether the basis of a proceeding is alleged action in an official capacity or in any other capacity while serving as such a director, officer, manager, member, partner, trustee, employee or agent, shall be indemnified and held harmless by the Company against all losses, claims, damages (compensatory, exemplary, punitive or otherwise), liabilities and expenses (including attorneys' fees, costs, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement and any other expense) actually and reasonably incurred or suffered by such Indemnitee in connection with such Proceeding, and such indemnification shall continue as to an Indemnitee who has ceased to be a manager, officer or employee of the corporation or a director, officer, manager, member, partner, trustee, employee or agent of another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. Except as provided in Section 14.4 with respect to Proceedings seeking to enforce rights to indemnification, the Company shall indemnify any such Indemnitee in connection with a Proceeding (or part of a Proceeding) initiated by such Indemnitee only if a Proceeding (or part of a Proceeding) was authorized or ratified by the Board of Managers. The right to indemnification conferred in this Section 14 shall be a contract right.

14.2. **Restrictions on Indemnification**. No indemnification shall be provided to any such Indemnitee for acts or omissions of the Indemnitee finally adjudged to be intentional misconduct or a knowing violation of law, for conduct of the Indemnitee finally adjudged to be in violation of the Act, for any transaction with respect to which it was finally adjudged that such Indemnitee personally received a benefit in money, property or services to which the Indemnitee

was not legally entitled or if the Company is otherwise prohibited by applicable law from paying such indemnification.

14.3. **Advancement of Expenses**. The right to indemnification conferred in this Section 14 shall include the right to be paid by the Company the expenses incurred in defending any proceeding in advance of its final disposition (an "***Advancement of Expenses***"). An Advancement of Expenses shall be made upon delivery to the Company of an undertaking (an "***Undertaking***"), by or on behalf of such Indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such Indemnitee is not entitled to be indemnified.

14.4. **Right of Indemnitee to Bring Suit**. If a claim under Section 14.1 or 14.3 is not paid in full by the Company within 60 days after a written claim has been received by the Company, except in the case of a claim for an Advancement of Expenses, in which case the applicable period shall be 20 days, the Indemnitee may at any time thereafter bring suit against the Company to recover the unpaid amount of the claim. If successful, in whole or in part, in any such suit or in a suit brought by the Company to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the Indemnitee shall be entitled to be paid also the expense of litigating such suit. The Indemnitee shall be presumed to be entitled to indemnification under this Section 14 upon submission of a written claim (and, in an action brought to enforce a claim for an Advancement of Expenses, when the required Undertaking has been tendered to the Company) and thereafter the Company shall have the burden of proof to overcome the presumption that the Indemnitee is so entitled.

14.5. **Procedures Exclusive**. The procedures for indemnification and the Advancement of Expenses set forth in this Section 14 are in lieu of the procedures required by the Act or any successor provision of the Act.

14.6. **Nonexclusivity of Rights**. Except as set forth in Section 14.5, the right to indemnification and the Advancement of Expenses conferred in this Section 14 shall not be exclusive of any other right that any Person may have or hereafter acquire under any statute, provision of the this Agreement, general or specific action of the Board of Managers or Members, contract or otherwise.

14.7. **Insurance Contracts and Funding**. The Company shall maintain insurance, at its expense, to protect itself and its managers and officers against expense, liability and loss to the extent that such insurance is available at commercially reasonable rates and in such amounts and upon such terms as is approved by the Board of Managers. The Company may maintain insurance in addition to the above, at its expense, to protect any Member, partner, trustee, employee or agent of the Company or another corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise against any expense, liability or loss, whether or not the Company would have the authority or right to indemnify such Person against such expense, liability or loss under the Act or other law. The Company may enter into contracts with any officer, partner, trustee, employee or agent of the Company in furtherance of the provisions of this Section and may create a trust fund, grant a security interest

or use other means (including, without limitation, a letter of credit) to ensure the payment of such amounts as may be necessary to effect indemnification as provided in this Section.

14.8. **Indemnification of Employees and Agents of the Company.** In addition to the rights of indemnification set forth in Section 14, the Company may, by action of the Board of Managers, grant rights to indemnification and advancement of expenses to employees and agents or any class or group of employees and agents of the Company (a) with the same scope and effect as the provisions of this Section with respect to indemnification and the Advancement of Expenses of Managers and officers of the Company (b) pursuant to rights granted pursuant to, or provided by, the Act; or (c) as are otherwise consistent with law.

15. AMENDMENTS.

15.1. **Procedure.** Except as otherwise provided in this Section 15, the provisions of this Agreement may be amended, modified or waived only with the prior written consent of the Company (as authorized by the Board) and Members by Majority Vote; provided that in no event (i) shall any party be required to make any Capital Contributions to the Company without such party's prior written consent, except as expressly provided in this Agreement or the amended **Schedule of Unitholders,** (ii) shall any such amendment, modification or waiver cause any Member to become personally liable for any obligation of the Company without such Member's consent, (iii) shall any such amendment, modification or waiver alter a Member's rights and privileges with respect to a class of Units in a manner that is disproportionate to the rights and privileges of other holders of such Units, except as expressly set forth in this Agreement with respect to the issuance of additional Units, or (iv) shall Section 3.3.2(ii) be amended, modified or waived without the prior written consent from Segal for as long as the condition of Section 3.3.2(ii) applies. No course of dealing or the failure of any party to enforce any of the provisions of this Agreement shall in any way be construed as a waiver of such provisions and shall not affect the right of such party thereafter to enforce each and every provision of this Agreement in accordance with its terms.

15.2. **Exception.** Notwithstanding anything in this Agreement to the contrary, the Board of Managers may at any time, without the vote, approval or consent of the Unitholders (i) amend the **Schedule of Unitholders** to reflect any change required to be made in such Schedule pursuant to the terms of this Agreement, (ii) restate this Agreement together with any amendments which have been duly adopted in accordance with the terms of this Agreement, to incorporate such amendments in a single, integrated document, and (iii) amend this Agreement:

(a) To admit a Person authorized in accordance with Section 12 of this Agreement as an additional Member and/or to reflect the transfer of Units to a Financial Interest Holder;

(b) To reflect that a Person has ceased to be a Member or ceased to own Units as a Financial Interest Holder;

(c) To reflect any change in the Company's principal offices, agent for service of process or tax matters Member; and/or

(d) To delete from or add to the Agreement any provision required to be so deleted or added by the staff of the Securities and Exchange Commission or by a state blue sky commissioner or similar such official, which addition or deletion is deemed by such Commission or official to be for the benefit or protection of the Members.

15.3. **Execution of Amendments.** All amendments to this Agreement need only be signed by the Chief Executive Officer or such other officer of the Company authorized by the Board to execute such amendments unless applicable law also requires execution by one or more Unitholders, in which event such amendment shall require the signature(s) of such Unitholders or their attorney(s)-in-fact.

15.4. **Notice.** The Board of Managers shall give written notice of any amendment to this Agreement to the Unitholders, which notice shall set forth either (i) the text of the proposed amendment, or (ii) a summary of the proposed amendment and a statement that the text of the proposed amendment will be furnished to any Unitholder upon request.

16. SPECIAL POWER OF ATTORNEY.

16.1. **In General.** Each Unitholder hereby irrevocably makes, constitutes and appoints the Managers, with full power of substitution, the true and lawful representative and attorney-in-fact of, and in the name, place and stead of, such Unitholder, with the power from time to time to make, execute, sign, acknowledge, swear to, verify, deliver, record, file and/or publish:

(a) One or more amendments to this Agreement which have been approved in accordance with Section 15; and

(b) The Certificate of Formation and any amendment required because this Agreement is amended including, without limitation, an amendment to effectuate any change in the membership of the Company or in the capital contributions of the Unitholders.

16.2. **Acknowledgment.** Each Unitholder is aware that the terms of this Agreement permit certain amendments to this Agreement to be effected and certain other actions to be taken or omitted by or with respect to the Company without such Unitholder's consent. If an amendment of the Certificate of Formation or this Agreement or any action by or with respect to the Company is taken by the Managers in the manner contemplated by this Agreement, each Unitholder agrees that, notwithstanding any objection which such Unitholder may assert with respect to such action, the Managers are authorized and empowered, with full power of substitution, to exercise the authority granted above in any manner which may be necessary or appropriate to permit such amendment to be made or action lawfully taken or omitted. Each Unitholder is fully aware that each Unitholder will rely on the effectiveness of this special power-of-attorney with a view to the orderly administration of the affairs of the Company. This power-of-attorney is a special power-of-attorney and is coupled with an interest in favor of the Managers and as such (i) shall be irrevocable and continue in full force and effect

notwithstanding the subsequent death or incapacity of any party granting this power-of-attorney, regardless of whether the Company or the Managers shall have had notice of such death or incapacity; and (ii) shall survive the delivery of an assignment by a Unitholder of the whole or any portion of such Unitholder's interest in the Company, except that where the assignee of such interest has been approved by the Managers for admission to the Company as a Member, this power-of-attorney given by the assignor shall survive the delivery of such assignment for the sole purpose of enabling the Managers to execute, acknowledge and file any instrument necessary to effect such substitution.

17. MISCELLANEOUS PROVISIONS.

17.1. **Notices.** Except for meeting notices given under Sections 3 and 5, (i) all notices, requests, demands, claims or other communications permitted or required by this Agreement shall be deemed duly given by either the Company or a Unitholder to the other, three (3) days after placement in the United States Mail by Registered or Certified Mail, return receipt requested, postage prepaid; and addressed to the intended recipient at the address maintained by the Company in its business records for such Unitholder; (ii) any notices by a Unitholder to the Company shall be delivered to the attention of the Chief Executive Officer and (iii) a party may also send any notice, request, demand, claim or other communication to the intended recipient using any other means (including personal delivery, facsimile transmission, expedited courier, messenger service, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient, as to which the sender shall have the burden of proof. Any party may change the address to which notices, requests, demands, claims or other communications under this Agreement are to be delivered by written notice provided in the manner provided in this Section 17.1. Such notices, demands and other communications shall be sent to the following Persons at the addresses and fax numbers set forth below:

If to the Company:	AmeriVon LLC 800 Southwood Blvd., Suite 212 Incline Village, Nevada 89451 Attn: Robert Segal
If to the Members:	the addresses set forth in the attached **Schedule of Unitholders**

or at such address or fax number or to the attention of such other person as the recipient party has specified by prior written notice to the sending party.

17.2. **Conversion of the Company into a "C" Corporation.** At any time after the date of this Agreement, the Board may elect to have the Company converted (whether by merger, consolidation, by "checking-the-box" pursuant to applicable Treasury regulations or otherwise) into a corporation (as such term is used in Subchapter C of the Code, Sections 301, et. seq.). Pursuant to such conversion (if required as a result of the Company's new corporate form)

each holder of Units shall receive in exchange for such Units a number of shares of stock of the Company (having rights and preferences substantially identical to the Units exchanged) equal to the product of (A) the total number of shares of stock issued in such conversion times (B) a fraction, the numerator of which is the number of Units held by such holder immediately prior to such conversion, and the denominator of which is the total number of Units outstanding immediately prior to such conversion.

17.3. **Governing Law**. All issues and questions concerning the construction, validity, interpretation and enforceability of this Agreement and the exhibits and schedules attached to this Agreement shall be governed by, and construed in accordance with, the laws of the state of Nevada, without giving effect to any choice of law or conflict of law rules or provisions (whether of the state of Nevada or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the state of Nevada. In furtherance of the foregoing, the internal law of the state of Nevada shall control the interpretation and construction of this Agreement (and all schedules and exhibits attached to this Agreement), even though under that jurisdiction's choice of law or conflict of law analysis, the substantive law of some other jurisdiction would ordinarily apply.

17.4. **Business Days**. If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the state of Nevada, the time period shall automatically be extended to the business day immediately following such Saturday, Sunday or legal holiday.

17.5. **Descriptive Headings; Interpretation; No Strict Construction**. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Except as otherwise expressly provided in this Agreement, reference to any agreement, document, or instruction means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and if applicable hereof. The use of the words "include" or "including" in this Agreement shall be by way of example rather than by limitation. The use of the words "or," "other" or "any" shall not be exclusive. The parties to this Agreement have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

17.6. **Modification and Waiver.** Neither this Agreement nor any of its provisions may be modified, amended, discharged or terminated except as provided in Section 15. No failure of a party to seek redress for violation of or to insist upon strict performance by the other party of any of the terms and conditions of this Agreement shall constitute or be deemed to be a waiver of any such term or condition, or constitute an amendment or waiver of any such term or provision by course of performance, and each party,

notwithstanding any failure to insist upon strict performance, shall have the right thereafter to insist upon strict performance by the other party of any and all of the terms and conditions of this Agreement.

17.7. **Rights and Remedies Cumulative.** The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

17.8. **Severability.** The parties intend this Agreement to be enforced as written. If any provision(s) of this Agreement as applied to any part of or to any circumstances nonetheless is ruled by an arbitrator or court of competent jurisdiction to be invalid or unenforceable, the ruling shall not affect any other provision of this Agreement, the application of such provision in any other circumstances, of the validity or enforceability of any other provision of this Agreement, which shall continue to be enforceable to the fullest extent permitted by law.

17.9. **Heirs, Successors and Assigns.** Each of the covenants, terms, provisions and agreements contained in this Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors and assigns.

17.10. **Dispute Resolution.** If any dispute arises concerning the interpretation, validity, or performance of this Agreement or any of its terms and provisions, including but not limited to the issue of whether or not a dispute is arbitrable, then the parties shall submit such dispute for binding determination before a retired judge selected from an arbitrating organization mutually acceptable to the parties; provided that if the parties cannot agree, then the Managers shall select the arbitrating organization. The parties shall mutually agree on one arbitrator from the list provided by the arbitrating organization; provided that if the parties cannot agree, then each party shall select one arbitrator from the list, and the two arbitrators so selected shall agree upon a third arbitrator chosen from the same list, which third arbitrator shall determine the dispute. The arbitration shall be conducted in accordance with the then prevailing rules of the arbitrating organization, except as set forth in this Section 17.10. The parties shall have all rights for depositions and discovery as provided to litigants under Nevada law. The arbitrator shall apply Nevada substantive law and evidence rules to the proceeding. The arbitrator shall have the power to grant all legal and equitable remedies including provisional remedies and award compensatory damages provided by law, but the arbitrator may not order relief in excess of what a court could order. The arbitrator shall not have authority to award punitive or exemplary damages. The arbitrator shall prepare and provide the parties with a written award including factual findings and the legal reasoning upon which the award is based. The arbitrator shall not have the power to commit errors of law or legal reasoning or to make findings of fact except upon sufficiency of the evidence. Any award that contains errors of law or legal reasoning or makes findings of fact except upon the sufficiency of the evidence exceeds the power of the arbitrator, and may be corrected or vacated as provided by applicable law. The arbitrator shall award costs and attorneys' fees in accordance with the terms and conditions of this Agreement.

Any court having jurisdiction may enter judgment on the award rendered by the arbitrator, or correct or vacate such award as provided by applicable law. The parties understand that by agreement to binding arbitration they are giving up the rights they may otherwise have to trial by a court or a jury and all rights of appeal, and to an award of punitive or exemplary damages. Pending resolution of any arbitration proceeding, either party may apply to any court of competent jurisdiction for any provisional remedy, including but not limited to a temporary restraining order or a preliminary injunction but excluding any dispute relating to discovery matters, and for enforcement of any such order. The application for or enforcement of any provisional remedy by a party shall not operate as a waiver of the within agreement to submit a dispute to binding arbitration.

17.11. **Time Periods.** For the purposes of the time periods within which a party is permitted or required to act by this Agreement, the day of the act or event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the time period runs until the end of the next day which is not a Saturday, Sunday or legal holiday.

17.12. **Creditors.** None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

17.13. **Counterparts.** This Agreement may be executed in counterparts (including by means of facsimile or electronic mail transmission), each of which shall be deemed an original and all of which shall constitute one and the same instrument.

17.14. **Entire Agreement.** Except as otherwise expressly set forth in this Agreement, this Agreement embodies the complete agreement and understanding among the parties to this Agreement with respect to the subject matter of this Agreement and supersede and preempt any prior understandings, agreements or representations by or among the parties, written or oral, which may have related to the subject matter of this Agreement in any way.

17.15. **No Legal Advice; Waiver of Conflicts**. The Members acknowledge that Tod M. Turley does not represent any parties to this Agreement and that Mr. Turley does not owe any duty to any such Members with respect to such matters. By their execution of this Agreement, each Member waives any conflict of interest that Mr. Turley may have in connection with this Agreement and acknowledges that each Member is entitled and encouraged to seek separate legal counsel regarding this Agreement and any related documents and any transactions in which the Company shall engage.

EXECUTED by the undersigned effective as of August 1, 2005.

COMPANY:

AMERIVON LLC, a Nevada limited liability company

By: Tod M. Turley, Managing Member

MEMBERS:

AMERIVON HOLDINGS LLC, a Nevada limited liability company

By: John E. Tyson, President

Robert B. Segal

SCHEDULE OF UNITHOLDERS

MEMBER	CLASS A UNITS	CLASS B UNITS	CLASS C UNITS	TOTAL UNITS	PERCENTAGE INTEREST*
Holdings	800,000			800,000	80%
Segal	200,000			200,000	20%
TOTAL UNITS	1,000,000			1,000,000	100%

* The Percentage Interests listed are prior to the issuance of any Class B Units.

SCHEDULE OF CAPITAL CONTRIBUTIONS FOR UNITS

UNITHOLDER	DESCRIPTION OF CONTRIBUTION FOR UNITS	AMOUNT/FAIR MARKET VALUE OF CONTRIBUTION
Holdings	35,000 Smart Gem Dialers	$200,000
Segal	$50,000 cash	$50,000
TOTAL		**$250,000**

SCHEDULE OF ALLOCATION METHOD

ALLOCATION METHODS UNDER CODE SECTION 704(c)
(With Respect to Contributed or Revalued Property)

TRADITIONAL METHOD

EXHIBIT A

AMERIVON LLC UNIT AWARD PLAN

EXHIBIT B

Certificate of Authority to Conduct Business

The State of South Carolina

Office of Secretary of State Mark Hammond

Certificate of Authorization

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

AMERIVON LLC, A Limited Liability Company duly organized under the laws of the State of NEVADA, and issued a certificate of authority to transact business in South Carolina on October 6th, 2005, with a duration that is at will, has as of this date filed all reports due this office, paid all fees, taxes and penalties owed to the Secretary of State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to section 33-44-809 of the South Carolina Code, and that the company has not filed a certificate of cancellation as of the date hereof.

Given under my Hand and the Great Seal of the State of South Carolina this 6th day of October, 2005.

Mark Hammond

Mark Hammond, Secretary of State

EXHIBIT C

Background and Experience of Management

Applicant is a switchless resale common carrier providing intrastate long distance message toll telecommunications services to customers for their direct transmission and reception of voice communication. As demonstrated by the professional biographies listed below, Applicant has an experienced management team, but relies on its underlying carriers for technical support.

Professional Biographies of Key Management Personnel

Tod Turley, Chairman
Mr. Turley was the Senior Vice President, Business Development of AmeriVon from 2001 to 2003. Since 2003, he has served as the CEO. Previously, Mr. Turley was the co-founder and Senior Vice President of Encore Wireless, Inc. (private label wireless service provider). Earlier, he served for 13 years as a corporate attorney and executive with emerging growth companies in the telecommunications industry. He currently serves as a Director on a number of Boards, including Wireless Advocates and The Wright Company (Financial Services Advisory Company).

Robert B. Segal, President and Chief Executive Officer
Mr. Segal joined AmeriVon LLC as President and CEO. Mr. Segal founded Segal & Co. Incorporated, a merchant and investment banking firm to invest in and assist companies with their strategic development, growth and financing. Recently, Segal & Co. provided start-up capital and strategic and financial planning to Oceanic Digital Communications, a mobile wireless telecommunications operator in the Caribbean and Latin America, where Mr. Segal served as Chairman and CEO. Segal & Co. has provided financial advisory services including arranging private equity and debt financing for a variety of companies, including CLECs, wireless communications, teleservices, entertainment and paging companies. Segal & Co. has invested in private equity positions in selected situations. Mr. Segal provided investment banking services at Smith Barney & Co. from 1975 to 1989, rising to a Managing Director and head of Smith Barney's Mid-Atlantic region. In 1989, he committed his full attention to developing Segal & Co. to provide investment banking services to high growth companies in return for fees paid in cash and the opportunity to invest in private equity securities of clients. Since 1989, he has operating Segal & Co. on a stand-alone basis and through a series of joint ventures with C.J. Lawrence, Morgan Grenfell Incorporated, Charterhouse Inc. and Lepercq, de Neuflize Incorporated. Between 1995 and 1997, Mr. Segal has served as head of the Corporate Finance Group of Lepercq, de Neuflize, an investment banking firm. From 1992 through 1995 he was the senior investment banker at Charterhouse Inc. From 1989 through 1991, he was Managing Director of C.J. Lawrence, Morgan Grenfell. At Smith

Barney, Mr. Segal led investment banking deal terms to buy and sell divisions of large companies as private equity leveraged buy-out transactions on behalf of clients. Mr. Segal's investment banking experience extends over three decades and includes numerous transactions ranging from cross-border mergers and acquisitions and financing, to leveraged buyouts and public and private debt and equity financings, project finance, derivatives, initial public offerings and tax-exempt bonds. His varied industry expertise ranges from telecommunications to building materials, chemicals, environment, leisure, natural resources and technology to food and paper and forest products. Mr. Segal is a graduate of the Harvard Business School and the University of Manitoba.

John E. Tyson, Chief Financial Officer and Secretary
Mr. Tyson joined AmeriVon Holdings LLC, in 2005, as its President. Previously and for 15 years, Tyson was the Chairman & CEO of Compression Labs, Inc. (CLI), a NASDAQ company and a world leader in the development of Video Communications Systems. CLI pioneered the development of compressed digital video, interactive videoconferencing, and digital broadcast television, including the systems used in today's highly successful Hughes DirecTV DTH entertainment network (now worth $32+ billion). Prior to CLI, Mr. Tyson held executive management positions with AT&T, General Electric, and General Telephone & Electronics. Since CLI, Mr. Tyson has been the President of Xplane Corporation (information design firm using visual maps to make complex processes easier to understand), Corporate Visions (sales consulting) and founder/CEO of etNetworks (IT training via satellite directly to the Desktop PC). He has served as a Board Member of several companies, including The Wright Company, founder of the Sierra Angels (Investment Fund), is an Advisory Board Member of the University of Nevada Engineering School, and is a Trustee for the Sierra Nevada College.

David Keysor, Vice President, Sales and Marketing
Mr. Keysor joined AmeriVon in 2003. Previously Mr. Keysor was a Director of Marketing and Business Development for Siebel Systems, Inc. Earlier, he was director of Marketing for Nextel Communications, Inc. and Vice President of Sales and Marketing for Prime Matrix Wireless Communications, Inc.

EXHIBIT D

Financials

in thousands	Actual FYE June 30,						estimated	Projected FYE December 31,					
	1999	2000	2001	2002	2003	2004	2005P	2006P	2007P	2008P	2009P	2010P	2011P
Revenues							$1,206	$27,242	$88,632	$173,598	$294,483	$482,628	$530,891
Cost of Services							952	20,143	65,045	126,388	214,350	351,031	386,134
Gross Profit	0	0	0	0	0	0	254	7,099	23,587	47,210	80,132	131,598	144,757
Selling							211	5,095	11,503	19,464	31,298	49,738	54,557
G&A	0	0	0	0	0	0	0	0	0	0	0	0	0
EBITA	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
EBITDA	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
Depreciation	0						0	0	0	0	0	0	0
Organizational Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Amortization	0	0	0	0	0	0	0	0	0	0	0	0	0
EBIT (Operating Income)	0	0	0	0	0	0	42	2,004	12,084	27,746	48,834	81,860	90,200
Interest Expense:													
Revolver	0	0	0	0	0	0	0	0	0	0	0	0	0
Term Loan	0	0	0	0	0	0	120	120	82	0	0	0	0
Existing Debt							0	0	0	0	0	0	0
Subordinated Debt	0	0	0	0	0	0	24	24	24	24	24	24	24
Seller Note	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Interest	0	0	0	0	0	0	144	144	106	24	24	24	24
Interest Income	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Income/(Expense)	0	0	0	0	0	0	0	0	0	0	0	0	0
Stockholder Bonus	0	0	0	0	0	0	0	0	0	0	0	0	0
Earnings Before Taxes	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Income Tax Expense	0	0	0	0	0	0	(41)	744	4,791	11,089	19,524	32,734	36,071
Net Income	0	0	0	0	0	0	(61)	1,116	7,187	16,633	29,286	49,101	54,106
Dividends							(30)	558	3,593	8,317	14,643	24,551	27,053
Retained Earnings							(30)	558	3,593	8,317	14,643	24,551	27,053
Calculation of Adjusted Net Income:													
Earnings Before Taxes	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Add: Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjusted EBT	0	0	0	0	0	0	(102)	1,860	11,978	27,722	48,810	81,836	90,176
Income Tax Expense	0	0	0	0	0	0	(41)	744	4,791	11,089	19,524	32,734	36,071
Adjusted Net Income	0	0	0	0	0	0	(61)	1,116	7,187	16,633	29,286	49,101	54,106

Scenario: Base Case

in thousands	Actual FYE June 30,						Transaction			Projected FYE December 31,					
	1999	2000	2001	2002	2003	2004	Debits	Credits	Opening	2005P	2006P	2007P	2008P	2009P	2010P
ASSETS															
Cash & Equivalents (1)	$0	$0	$0	$0	$0	$0	$250	$0	$250	$341	$1,559	$6,344	$17,132	$32,409	$58,017
Accounts Receivable	0	0	0	0	0	0	0	0	0	0	227	739	1,447	2,454	4,022
Commissions receivable	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inventories	0	0	0	0	0	0	5,757	0	5,757	5,600	4,678	2,398	684	1,144	1,784
Prepaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Current Assets	0	0	0	0	0	0	6,007	0	6,007	5,942	6,464	9,481	19,263	36,007	63,823
Net Fixed Assets	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Property and equipment, net	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Notes receivable	0	0	0	0	0	0	200	0	$200	171	0	0	0	0	0
Other Assets	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Organizational Expenses	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Total Non-Current Assets	0	0	0	0	0	0	200	0	$200	171	0	0	0	0	0
TOTAL ASSETS	$0	$0	$0	$0	$0	$0	$6,207	$0	$6,207	$6,113	$6,464	$9,481	$19,263	$36,007	$63,823
LIABILITIES															
Accounts Payable	$0	$0	$0	$0	$0	$0	$0	$0	$0	$13	$280	$903	$1,755	$2,977	$4,875
Accrued Expenses	0	0	0	0	0	0	0	0	$0	10	201	650	1,264	2,144	3,510
Note Payable	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Taxes Payable	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Deferred Revenue	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Receivables financing arrangement	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Other current liabilities	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Commisions Payable	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Bonus Payable	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Total Current Liabilities	0	0	0	0	0	0	0	0	$0	23	481	1,554	3,019	5,121	8,386
Debt:															
Revolver	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Term Loan	0	0	0	0	0	0	0	2,401	$2,401	2,314	1,649	0	0	0	0
Existing Debt	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Subordinated Debt	0	0	0	0	0	0	0	400	$400	400	400	400	400	400	400
Seller Note	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Total Debt	0	0	0	0	0	0	0	2,801	$2,801	2,714	2,049	400	400	400	400
Deferred Taxes	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Other Liabilities	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
TOTAL LIABILITIES	0	0	0	0	0	0	0	2,801	2,801	2,737	2,530	1,954	3,419	5,521	8,786
SHAREHOLDERS' EQUITY															
St/Prt Preferred	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Convertible Preferred	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Additional paid-in capital	0	0	0	0	0	0	0	0	$0	0	0	0	0	0	0
Common Stock	0	0	0	0	0	0	0	3,406	$3,406	3,406	3,406	3,406	3,406	3,406	3,406
Retained Earnings/(Deficit)	0	0	0	0	0	0	0	0	$0	(30)	528	4,121	12,438	27,081	51,632
Total Shareholders' Equity	0	0	0	0	0	0	0	3,406	$3,406	3,375	3,934	7,527	15,844	30,487	55,038
LIABILITIES & NET WORTH	$0	$0	$0	$0	$0	$0	$0	$6,207	$6,207	$6,113	$6,464	$9,481	$19,263	$36,007	$63,823
Parity Check	0	0	0	0	0	0	-6,207	6,207	0	0	0	0	0	0	0

Scenario: Base Case

AmeriVon LLC

in thousands	Actual FYE June 30,						Projected FYE December 31,						
	1999	2000	2001	2002	2003	2004	2005P	2006P	2007P	2008P	2009P	2010P	2011P
Net Income	$0	$0	$0	$0	$0	$0	($61)	$1,116	$7,187	$16,633	$29,286	$49,101	$54,106
Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Organizational Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
Non-Compete	0	0	0	0	0	0	0	0	0	0	0	0	0
Provison for doubtful accounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Goodwill	0	0	0	0	0	0	0	0	0	0	0	0	0
Stock options granted to non-employees and stock issued for services	0	0	0	0	0	0	0	0	0	0	0	0	0
Accrued Interest	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	30	(558)	(3,593)	(8,317)	(14,643)	(24,551)	(27,053)
Funds from Operations	0	0	0	0	0	0	(30)	558	3,593	8,317	14,643	24,551	27,053
Accounts Receivable		0	0	0	0	0	0	(227)	(512)	(708)	(1,007)	(1,568)	(402)
Inventories		0	0	0	0	0	157	922	2,279	1,714	(460)	(640)	(178)
Prepaid Expenses		0	0	0	0	0	0	0	0	0	0	0	0
Accounts Payable		0	0	0	0	0	13	267	624	852	1,222	1,898	488
Accrued Expenses		0	0	0	0	0	10	192	449	613	880	1,367	351
Taxes Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Revenue		0	0	0	0	0	0	0	0	0	0	0	0
Commisions Payable		0	0	0	0	0	0	0	0	0	0	0	0
Total Change in Working Capital	0	0	0	0	0	0	179	1,154	2,840	2,472	634	1,057	258
Cash Flow From Operations	0	0	0	0	0	0	149	1,712	6,434	10,789	15,277	25,608	27,311
Less: Capital Expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0
Free Cash Flow	0	0	0	0	0	0	149	1,712	6,434	10,789	15,277	25,608	27,311
(Inc)/Dec in Other Assets							29	171	0	0	0	0	0
Inc/(Dec) in Deferred Taxes							0	0	0	0	0	0	0
Inc/(Dec) in Other Liabiliities							0	0	0	0	0	0	0
Dividends							0	0	0	0	0	0	0
Cash Available For Debt Repayment	0	0	0	0	0	0	178	1,883	6,434	10,789	15,277	25,608	27,311
Debt Amortization:													
Term Loan							(86)	(666)	(1,649)	0	0	0	0
Existing Debt							0	0	0	0	0	0	0
Convertible Preferred							0	0	0	0	0	0	0
Subordinated Debt							0	0	0	0	0	0	0
Seller Note							0	0	0	0	0	0	0
Total Amortization	0	0	0	0	0	0	(86)	(666)	(1,649)	0	0	0	0
Cash Flow After Debt Repayment						0	91	1,217	4,785	10,789	15,277	25,608	27,311
Increase in Revolver							0	0	0	0	0	0	0
Decrease in Revolver							0	0	0	0	0	0	0
Cash to Balance Sheet						0	91	1,217	4,785	10,789	15,277	25,608	27,311
Beginning Cash							250	341	1,559	6,344	17,132	32,409	58,017
Ending Cash							341	1,559	6,344	17,132	32,409	58,017	85,328

EXHIBIT E

Proposed Tariff

AmeriVon LLC

SOUTH CAROLINA TELECOMMUNICATIONS TARIFF

This tariff contains the rates, terms and conditions applicable to Resold Intrastate Interexchange Telecommunications Services provided by **AmeriVon LLC,** with principal offices at 800 Southwood Boulevard, Suite 212, Incline Village, Nevada 89451.

This tariff applies for services furnished within the State of South Carolina. This tariff is on file with the South Carolina Public Service Commission, and copies may be inspected during normal business hours at the Company's principal place of business.

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

CHECK SHEET

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

PAGE NO.	REVISION	PAGE NO.	REVISION
1	Original*		
2	Original*		
3	Original*		
4	Original*		
5	Original*		
6	Original*		
7	Original*		
8	Original*		
9	Original*		
10	Original*		
11	Original*		
12	Original*		
13	Original*		
14	Original*		
15	Original*		
16	Original*		

* - Indicates those pages included with this filing

Issued: Effective:

Robert B. Segal, President/CEO
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451

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SYMBOLS

The following are the only symbols used for the purposes indicated below:

(C) - Change in Rule or Regulation.

(D) - Delete or discontinue.

(I) - Change resulting in an increase to a customer's bill.

(M) - Moved from or to another tariff location.

(N) – New.

(R) - Change resulting in a reduction to a customer's bill.

(T) - Change in text or regulation.

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SECTION 1 - DEFINITIONS

Access Line - An arrangement which connects the Subscriber's or Customer's location to the Carrier's designated point of presence or network switching center.

Authorized User - A person, firm or corporation, or any other entity authorized by the Customer or Subscriber to communicate utilizing the Company's services.

Carrier or Company - AmeriVon LLC, unless otherwise indicated by the context.

Customer - The person, firm or corporation, or other entity which orders, cancels, amends, or uses service and is responsible for the payment of charges and/or compliance with tariff regulations.

Customer Premises Equipment - Terminal equipment, as defined herein, which is located on the Customer's premises.

Dedicated Access - See Special Access Origination/Termination.

SCPSC - Refers to the South Carolina Public Service Commission.

Special Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on dedicated circuits. The Access Provider provides these dedicated circuits from the Customer's location to the Company's point of presence. The rates and charges for dedicated circuits are determined by the Access Provider and the Customer is responsible for payment of these charges to the Access Provider.

Subscriber - The person, firm, corporation, or other legal entity, which arranges for services of the Company on behalf of itself or Authorized Users. The Subscriber is responsible for compliance with the terms and conditions of this tariff. A Subscriber may also be a Customer when the Subscriber uses services of the Company.

Switched Access Origination/Termination - Where originating or terminating access between the Customer and the interexchange carrier is provided on Feature Group D circuits.

Terminal Equipment - Devices, apparatus, and associated wiring, such as teleprinters, telephones, or data sets.

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

AmeriVon LLC offers intrastate service originating at specified points within the state of South Carolina under terms of this tariff. The Company's services and resold facilities are provided on a monthly basis unless otherwise provided, and are available twenty-four hours per day, seven days per week.

The Company installs, operates, and maintains the communications services provided herein in accordance with the terms and conditions set forth under this tariff. The Company may act as the Subscriber's agent for ordering access connection facilities provided by other carriers or entities, when authorized by the Subscriber, to allow connection of a Subscriber's location to the Company's network. The Subscriber shall be responsible for all charges due for such service arrangement.

2.2 Limitations

2.2.1 Service is offered subject to the availability of the necessary resold facilities and equipment, or both facilities and equipment, and subject to the provisions of this tariff.

2.2.2 The Company reserves the right to discontinue or limit service when necessitated by conditions beyond its control, or when the Subscriber or Customer is using service in violation of provisions of this tariff, or in violation of the law.

2.2.3 The Company does not undertake to transmit messages, but offers the use of its facilities when available, and will not be liable for errors in transmission or for failure to establish connections.

2.2.4 All services and resold facilities provided under this tariff are directly or indirectly controlled by the Company and the Subscriber may not transfer or assign the use of service or facilities without the express written consent of the Company. Such transfer or assignment shall only apply where there is no interruption of the use or location of the service or facilities.

2.2.5 Prior written permission from the Company is required before any assignment or transfer. All regulations and conditions contained in this tariff shall apply to all such permitted assignees or transferees, as well as all conditions of service.

SECTION 2 - RULES AND REGULATIONS

2.3 Use

Services provided under this tariff may be used for any lawful purpose for which the service is technically suited.

2.4 Liabilities of the Company

2.4.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors, or defects in transmission which occur in the course of furnishing service or facilities, shall be determined in accordance with SCPSC regulations and any other applicable law.

2.4.2 The Company shall not be liable for claim or loss, expense or damage (including indirect, special or consequential damage), for any interruption, delay, error, omission, or defect in any service, facility or transmission provided under this tariff, if caused by any person or entity other than the Company, by any malfunction of any service or facility provided by any other carrier, by an act of God, fire, war, civil disturbance, or act of government, or by any other cause beyond the Company's direct control.

2.4.3 The Company shall not be liable for, and shall be fully indemnified and held harmless by Customer and Subscriber against any claim or loss, expense, or damage (including indirect, special or consequential damage) for defamation, libel, slander, invasion, infringement of copy-right or patent, unauthorized use of any trademark, trade name or service mark, unfair competition, interference with or misappropriation or violation of any contract, proprietary or creative right, or any other injury to any person, property or entity arising out of the material, data, information, or other content revealed to, transmitted, or used by the Company under this tariff; or for any act or omission of the Customer or Subscriber; or for any personal injury or death of any person caused directly or indirectly by the installation, maintenance, location, condition, operation, failure, presence, use or removal of equipment or wiring provided by the Company, if not directly caused by negligence of the Company.

2.4.4 The Company shall not be liable for any defacement of or damages to the premises of a Subscriber resulting from the furnishing of service, which is not the direct result of the Company's negligence.

SECTION 2 - RULES AND REGULATIONS

2.5 Taxes

All state and local taxes (i.e., gross receipts tax, sales tax, municipal utilities tax) are listed as separate line items and are not included in the quoted rates.

2.6 Terminal Equipment

The Company's facilities and service may be used with or terminated in Subscriber-provided terminal equipment or Subscriber-provided communications systems, such as a PBX or Pay Telephone. Such terminal equipment shall be furnished and maintained at the expense of the Subscriber, except as otherwise provided. The Subscriber is responsible for all costs at his or her premises, including personnel, wiring, electrical power, and the like, incurred in the use of the Company 's service. When such terminal equipment is used, the equipment shall comply with the generally accepted minimum protective criteria standards of the telecommunications industry as endorsed by the Federal Communications Commission.

2.7 Installation and Termination

Service is installed upon mutual agreement between the Subscriber and the Company. The agreement will determine terms and conditions of installation, termination of service, any applicable sales commission structure, and sales commission payment schedule. The service agreement does not alter rates specified in this tariff.

When Customers are members of the transient public, they do not contract directly with the Company for provision of service. Subscribers contract for service on behalf of themselves and/or their transient patrons. Service provided to Customers (patrons of the contracting party) is governed by the terms of this tariff schedule and the lawful terms of the billing agency. No contractual agreements are required of the Customer.

SECTION 2 - RULES AND REGULATIONS

2.8 Cancellation by the Company

Without incurring liability, the Company may immediately discontinue services to a Subscriber or End User or may withhold the provision of ordered or contracted services:

2.8.1 For nonpayment of any sum due for more than thirty days after issuance of the bill for the amount due,

2.8.2 For violation of any of the provisions of this tariff,

2.8.3 For violation of any law, rule, regulation or policy of any governing authority having jurisdiction over the Company 's services, or

2.8.4 By reason of any order or decision of a court, public service commission or federal regulatory body or other governing authority prohibiting the Company from furnishing its services.

2.9 Interruption of Service by the Company

Without incurring liability, the Company may interrupt the provision of services at any time in order to perform tests and inspections to assure compliance with tariff regulations and the proper installation and operation of subscriber and the Company 's equipment and facilities and may continue such interruption until any items of non-compliance or improper equipment operation so identified are rectified.

The Company may discontinue Service without notice to the subscriber, by blocking traffic to certain countries, cities, or NXX exchanges, or by blocking calls using certain customer authorization codes, when the Company deems it necessary to take such action to prevent unlawful use of its service. The Company will restore service as soon as it can be provided without undue risk, and will, upon request by the customer affected, assign a new authorization code to replace the one that has been deactivated.

2.10 Termination of Service by Subscriber

Unless otherwise specified by contractual commitment, any Subscriber may terminate service with the Company upon thirty days written notice.

Robert B. Segal, President/CEO
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Incline Village, Nevada 89451

SECTION 2 - RULES AND REGULATIONS

2.11 Payment for Service

All charges due by the Customer are payable to any agency duly authorized to receive such payments. The billing agency may be a local exchange telephone company, credit card company, or other billing service. Terms of payment shall be according to the rules and regulations of the agency and subject to the rules of regulatory agencies, such as the SCPSC. Any objections to billed charges must be reported within 180 days to the Company's billing agent. Adjustments to Customer's bills shall be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

Customer inquiries regarding service or billing may be made in writing or by calling the toll free number listed below:

AmeriVon LLC
800 Southwood Boulevard, Suite 212
Incline Village, Nevada 89451
(888) 473-0162

Customers who are dissatisfied with the response to their complaint may contact the South Carolina Public Service Commission for resolution of the issues at the following address:

South Carolina Public Service Commission
101 Executive Center Dr.
Columbia, SC 29210
(803) 896-5100

SECTION 2 - RULES AND REGULATIONS

2.12 Other Rules

2.12.1 Regulatory Changes

The Company reserves the right to discontinue service, limit service, or to impose requirements on Subscribers as required to meet changing regulatory rules and standards of the South Carolina Public Service Commission and the Federal Communications Commission.

2.12.2 Refunds or Credits for Service Outages or Deficiencies

Credit allowances for interruptions of service caused by service outages or deficiencies are limited to the initial minimum period call charges for re-establishing the interrupted call.

2.13 800/888/876/866 Numbers

2.13.1 The Company will make every effort to reserve "800" vanity numbers on behalf of customers, but makes no guarantee or warrantee that the requested "800" number(s) will be available or assigned to the customer requesting the number.

2.13.2 If a Customer accumulates undisputed past-due charges, the Company reserves the right not to honor the Customer's request for a change in 800/888/877/866 service to another carrier (e.g., "porting" of the 800/888/877/866 number), including a request for a Responsible Organization (Resp Org) change, until such time as all charges are paid in full.

2.13.3 800/888/877/866 numbers shared by more than one Customer, whereby individual customers are identified by a unique Personal Identification Number, may not be assigned or transferred for use with service provided by another carrier. The Company will only honor Customer requests for change in Resp Org or 800/888/877/866 service provider for 800/888/877/866 numbers dedicated to the sole use of that single Customer.

SECTION 3 – DESCRIPTION OF SERVICES AND RATES

3.1 Description of Rates

Services are available to subscribers under the following rate plans. Calls in each rate plan are billed in increments with minimum billing increments as specified. No charge is made for an uncompleted call.

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SECTION 3 – DESCRIPTION OF SERVICES AND RATES

3.2 AmeriVon Basic Plan

3.2.1 Basic

AmeriVon Basic Plan is a telecommunications service that provides Outbound 1+ intrastate interexchange service. All usage is billed in 60 second increments. A monthly service fee applies.

Per Minute Rate:	$0.05
Monthly Service Fee:	$2.99

3.2.2 Basic Intrastate Out of Home Card

AmeriVon Basic Out of Home Card is a travel card service that provides Outbound 1+ intrastate interexchange service. All usage is billed in 60 second increments.

Per Minute Rate:	$0.06

SECTION 4 - MISCELLANEOUS

4.1 General

Each Customer is charged individually for each call placed through the Company. Charges may vary by service offering, class of call, time of day, day of week, class of call and/or call duration.

4.2 Late Payment Charge

The company will charge a one-time 1.5% late payment fee on all invoices not paid by the due date identified on the Company bill.

4.3 Return Check Charge

The Company will assess a return check charge of up to $20.00 whenever a check or draft presented for payment of service is not accepted by the institution on which it is written. This charge applies each time a check is returned to the Company by a bank for insufficient funds.

4.4 Public Telephone Surcharge

In order to recover the Company's expenses to comply with the FCC's pay telephone compensation plan effective on October 7, 1997 (FCC 97-371), an undiscountable per call charge is applicable to all interstate, intrastate and international calls that originate from any domestic pay telephone used to access the Company's services. This surcharge, which is in addition to standard tariffed usage charges and any applicable service charges and surcharges associated with the Company's service, applies for the use of the instrument used to access the Company service and is unrelated to the Company's service accessed from the pay telephone.

Pay telephones include coin-operated and coinless phones owned by local telephone companies, independent companies and other interexchange carriers. The Public Pay Telephone Surcharge applies to the initial completed call and any reoriginated call (i.e., using the "#" symbol).

Whenever possible, the Public Pay Telephone Surcharge will appear on the same invoice containing the usage charges for the surcharged call. In cases where proper pay telephone coding digits are not transmitted to the Company prior to completion of a call, the Public Pay Telephone Surcharge may be billed on a subsequent invoice after the Company has obtained information from a carrier that the originating station is an eligible pay telephone.

The Public Pay Telephone Surcharge does not apply to calls placed from pay telephones at which the Customer pays for service by inserting coins during the progress of the call.

4.4.1 Public Telephone Surcharge

Rate per Call	$0.30

SECTION 5 - PROMOTIONS

5.1 Promotions - General

From time to time the Company shall, at its option, promote subscription or stimulate network usage by offering to waive some of all of the nonrecurring or recurring charges for the Customer (if eligible) of target services for a limited duration, not to exceed 90 days, or by offering premiums or refunds of equivalent value. Such promotions shall be made available to all similarly situated Customers in the target market area. All promotions will be filed with and approved by the Commission prior to offering them to Customers.

5.2 Demonstration of Calls

From time to time the Company shall demonstrate service by providing free test calls of up to four minutes duration over its network.

SECTION 6 - CONTRACT SERVICES

6.1 General

At the option of the Company, service may be offered on a contract basis to meet specialized requirements of the Customer not contemplated in this tariff. The terms of each contract shall be mutually agreed upon between the Customer and Company and may include discounts off of rates contained herein, waiver of recurring or nonrecurring charges, charges for specially designed and constructed services not contained in the Company's general service offerings, or other customized features. The terms of the contract may be based partially or completely on the term and volume commitment, type of originating or terminating access, mixture of services or other distinguishing features. Service shall be available to all similarly situated Customers for six months after the initial offering to the first contract Customer for any given set of terms.

Each contract will be filed with the South Carolina Public Service Commission.

EXHIBIT F

Proposed Notice of Filing

NOTICE OF FILING AND HEARING

AmeriVon, LLC ("AmeriVon" or "Applicant") filed an Application with the Public Service Commission of South Carolina for a Certificate of Public Convenience and Necessity to provide Resold Interexchange communications services. The Applicant proposes to offer outbound "1+" service and interexchange travel card services.

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, 101 Executive Center Drive, Saluda Building, Columbia, South Carolina 29210; and is available through John J. Pringle, Jr., Esquire, ELLIS LAWHORNE & SIMS, PA, 1501 Main Street, 5th Floor, Columbia, South Carolina 29201.

PLEASE TAKE NOTICE a hearing, on the above matter has been scheduled to begin at _____ before Hearing Examiner _____ in the Commission's Meeting Room at 101 Executive Center Drive, Saluda Building, Columbia, South Carolina 29210.

Any person who wishes to participate in this matter, as a party of record with the right of cross-examination should file a Petition to Intervene in accordance with the Commission's Rules of Practice and Procedure on or before _____, **2005** and indicate the amount of time required for his presentation. *Please refer to Docket No. 2005-___-C.*

Any person who wishes to be notified of the hearing, but does not wish to present testimony or be a party of record, may do so by notifying the Docketing Department in writing at the address below on or before _____, **2005**. *Please refer to Docket 2005-__-C.*

PLEASE TAKE NOTICE: Any person who wishes to have his or her comments considered as a part of the official record of this proceeding **MUST** present such comments, in person, to the Hearing Officer during the hearing.

Persons seeking information about the Commission's Procedures should contact the Commission by dialing (803) 896-5100.

Public Service Commission of South Carolina
Docketing Department
P.O. Drawer 11649
Columbia, South Carolina 29211

NOVEMBER-__-05